Daily Report

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Cuba

Government Ready for Constructive Talks on Angola

FL0205180288 Havana Radio Rebelde Network in Spanish 1700 GMT 2 May 88

[Station commentary]

[Text] As just reported by the newspaper BASTION, official organ of the FAR, the response to South Africa's escalation against Angola has been decisive, firm, determined, and overwhelming. The Cuban and Angolan troops, together with the combative SWAPO [South-West African Peoples Organization] fighters, have pushed the racists back almost to the border with the Namibian territory they occupy, and have taken our forces more than 200 km south of their previous position.

This new military situation, as stated by BASTION, means that the racist troops will no longer be able to act with impunity in southern Angola as they had been doing in recent years with an absolute disregard for international law. At the same time, this situation confirms that the Cuban soldiers, together with their African brothers, will fulfill the internationalist mission entrusted to them by the party and the revolution to the end.

It is against this backdrop that a quadripartite conference will be held 3-4 May in London to continue the negotiating process that will pave the way for a solution to the conflict in southern Africa. The meeting is the result of multilateral consultation between the Governments of Angola and Cuba and that of the United States, and of talks between the United States and Pretoria. The joint Cuban-Angolan delegation is ready to discuss the immediate implementation of UN Security Council Resolution 435 for Namibia's independence and ending South African and American interference in Angola's internal affairs, especially logistical aid to the UNITA [National Union for the Total Independence of Angola].

As reported, the joint delegation is also ready to discuss international guarantees demanded by Angola for its security and the timeframe for the deployment and gradual and complete withdrawal of our troops from Angola. The Cuban-Angolan delegation is ready for constructive negotiations and to make the best effort, without surrendering principles, to achieve accords that will bring about the freedom and independence of Namibia, the security of Angola, and peace in southwest Africa.

Vice President Rodriguez Visits Brazil

Conveys Castro Message

FL2904133588 Havana Tele-Rebelde Network in Spanish 1100 GMT 29 Apr 88

[Text] Carlos Rafael Rodriguez, vice president of the Cuban Council of State, has met with Brazilian President Jose Sarney. At the meeting, Carlos Rafael presented Sarney with a personal message from Fidel Castro Ruz, president of the Cuban Councils of State and Ministers.

During the cordial and prolonged talks in the Planalto Palace in Brasilia, the Cuban representative and the Brazilian leader paid special attention to the efforts under way to achieve Latin American integration and the development of bilateral relations. Sarney particularly stressed his appreciation for the important contributions made by the development of relations with Cuba and his personal ties with Fidel Castro Ruz.

Brasilia University Debate

FL3004122088 Havana Radio Progreso Network in Spanish 1100 GMT 30 Apr 88

[Text] Cuban Vice President Carlos Rafael Rodriguez was warmly received yesterday by more than 1,000 teachers and students at the University of Brasilia. The Cuban leader and Brazilian sociologist Darcy Ribeiro were the only speakers at a meeting organized by academicians of the South American country. They participated in a debate on the (?sociology) of Latin American man in the year 2000.

Attends Signing of Accord

FL3004151388 Havana Tele-Rebelde Network in Spanish 1100 GMT 30 Apr 88

[Text] The Governments of Brazil and Cuba have signed in Rio de Janeiro a cultural cooperation agreement that includes the areas of education and sports. The document was signed by Brazilian acting-Foreign Minister Paulo Tarso Flecha de Lima and Cuban Ambassador to Brazil Jorge Bolanos. Also present were Carlos Rafael Rodriguez, vice president of the Cuban Council of State, and Brazilian Education Minister Celso Furtado [title as heard].

Prior to this event, the Cuban vice president received an ovation from more than thousands of teachers and students of the University of Brasilia. Carlos Rafael gave a strict analysis of the economic deterioration of Latin America and the powerful reserves that it could develop. The Brazilian press, for its part, reiterated statements made by the Cuban leader condemning the coercive measures of the United States against Panama.

Castro Expresses Appreciation for CPUSTAL Medal

FL0305015988 Havana Television Service in Spanish 0000 GMT 2 May 88

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, has received a gold medal conferred by the Permanent Congress for the Labor Unity of Latin American and Caribbean Workers [CPUSTAL] for his contributions over many years to the struggle against the Third World countries' foreign debt and the establishment of a new international economic order. On behalf of the Latin American labor movement, CPUSTAL General Secretary Roberto Prieto presented the medal, which was being conferred for the first time, to Fidel.

The commander in chief expressed his appreciation, saying that it was a great honor. Later, he referred to the Third World's current problems regarding the foreign debt and the struggle of all humankind for a peaceful future.

[Begin Castro recording] Today we see there is hope for peace in the steps being taken, in the agreements that have been reached. But today more than ever we can say that there will not be peace without development. We have tried to express what happens in our—in Third World countries by comparing it to the nuclear war. The atomic bombs dropped on Hiroshima and Nagasaki each killed approximately 120,000 citizens. We were noting that as many children—I am not talking about people but children—die every 3 days in the Third World as the number who died in the Hiroshima and Nagasaki blasts. They could be saved with some medical services and some food. Therefore, the reality is that a bomb, such as the ones of Hiroshima and Nagasaki, explodes every 3 days among Third World children. What kind of peace can we talk about if as many children die in the Third World every 3 days as the number of those who die in a nuclear explosion? This is why now that there is talk about peace, disarmament, and detente as a condition for life for all humankind, we should call for using those resources that would be saved to solve the foreign debt problem, the problem of a new international economic order, the problem of development. It would not be correct, it would not be appropriate to talk about world peace.

I believe that at the same time we should welcome with hope these steps and this progress—we workers should wave with more strength and firmness than ever the banners that were waved in 1985. They have to be waved even more in this unfinished battle. The main characters that will end this agony are going to be the workers, so that we can really talk about the new international economic order, of development, and peace. It is within this framework, with these objectives, that we receive this great honor. It is not something that we deserve but something we have to make ourselves worthy of through the struggle.

Thank you very much. [applause] [end recording]

Stresses Development

FL0205134688 Havana Radio Reloj Network in Spanish 1204 GMT 2 May 88

[Text] Commander in Chief Fidel Castro received a medal from the Permanent Congress for Latin American Workers Trade Union Unity during a reception hosted by the CTC [Central Organization of Cuban Trade Unions] which was celebrating 1 May in Havana.

When Castro received the decoration in recognition for his contribution to the fight against the foreign debt, he said that on a date such as the International Day of Workers one can say more than ever that without development there will not be peace. He emphasized the importance of uniting Latin American and Caribbean forces for this purpose. He also said that the debt should be a great banner of struggle to solve the problems that prevent development. Our supreme leader added that sooner or later there will have to be changes, and he emphasized that, united, the workers of Latin America and of the whole Third World will claim their right to development.

Our Commander in Chief also said that one must hoist the flags for the nonpayment of the foreign debt and for that unfinished battle to achieve a new international economic order in an environment of development and peace.

Fidel thanked the CPUSTAL for the medal and said that he receives it on a very happy day, 1 May. Roberto Prieto, executive secretary of the CPUSTAL, said that Fidel is being recognized for his great contribution to the Latin American trade union movement. He also noted the ever increasing validity of his proposals in the peoples struggle for development.

Shortly after the ceremony, Fidel left the reception along with trade union representatives from other countries who were invited to the activities commemorating the International Day of Workers.

Raul Castro Honors Ciego de Avila Province

FL3004032188 Havana Television Service in Spanish 0000 GMT 30 Apr 88

[Text] Army General Raul Castro Ruz, second secretary of the PCC Central Committee and FAR minister, this afternoon gave Ciego de Avila Province a banner and certificate, signed by our commander in chief, Fidel Castro, accrediting it as ready for defense, first stage. The ceremony also served to celebrate with justified pride the completion of Ciego de Avila's crude sugar production today. It also served to confirm Ciego de Avila's decision to defend every inch of the territory against any imperialist aggression.

Presides at May Day Activities

FL0205143688 Havana Radio Reloj Network in Spanish 1206 GMT 2 May 88

[Text] Army General Raul Castro presided over the activities commemorating 1 May in Ciego de Avila. He also visited Moron and Primero de Enero municipalities in that province.

Just as in his previous tours of Majagua and Ciego de Avila municipalities, he chaired a party and government working meeting at the Primero de Enero bagasse board factory where he was briefed on the technical and production details of that industry. The second secretary of the PCC Central Committee took an interest in the

innovators' work and in the conservation of energy resources. He was also informed that, to date, the sugar production plan for the Primero de Enero factory had been surpassed.

Raul visited a hospital under construction in Moron municipality. Afterward, he spoke with hundreds of Moron residents, and he congratulated the residents of the municipality for their high level of defense preparedness.

ANAP Restructured; State Organization Created

FL2904145588 Havana Tele-Rebelde Network in Spanish 1100 GMT 29 Apr 88

[Text] For the purpose of improving the work of the ANAP [National Association of Small Farmers] as an organization of the masses and to continue improving cooperative production, the PCC Politburo has approved changes in the content and structure of the institution.

Important advancements in the cooperative movement were achieved from 1976 to 1985 through the fulfillment of the agreements reached at the First PCC Congress and the Fifth ANAP Congress.

A contradiction in the work of the ANAP has also developed based on its nature as a mass organization responsible for work with peasants that is fundamentally political and ideological, and the requirements of administrative and technical management that arose with the establishment of the CPA's [Agricultural-Livestock Cooperative]. These and other tasks have resulted in the organization moving further away from the essence of its work. This was made clear at the second cooperative meeting where the deviations and errors committed by several CPA's were analyzed.

Because of this, after assessing the situation, the highest leaders of the party and the state have decided to create a state structure that will attend to cooperative and peasant production. It was also deemed necessary to define the content and structure of the ANAP, which was analyzed at the Seventh ANAP Congress. The state organization will be responsible for the management of production, financial problems, and cooperative supplies. The ANAP will henceforth give all its attention to political and ideological work with cooperative members, peasants, and their families.

Commentary Examines Changes

FL3004002088 Havana Radio Rebelde Network in Spanish 1700 GMT 29 Apr 88

[Station commentary]

[Text] The PCC Politburo's decision concerning the tasks assigned to the National Association of Small Farmers entails profound changes in its mission and organization. The Politburo recognizes the ANAP's work in the progress made in the cooperative movement and, consequently, the considerable increase in land productivity and the improved living conditions of the peasants and their families. Nevertheless, the Politburo has noted the existence of a contradiction between its essentially political and ideological work as a mass organization and the administrative work the ANAP has performed to date. This contradiction evolved to the detriment of the ANAP's basic mission. That is why the decision was taken to separate the two functions.

A state agency will be set up to manage production, financial problems, and labor organization in the cooperatives.

The ANAP's guiding role in political and ideological work has been reaffirmed. The Politburo decision includes changes in the ANAP's structure, both in the higher echelons and the grassroots, and in the forms of election. The ANAP's community-based organizations will be made up of all individual cooperative members and peasants who want to join the organization and are willing to comply with its regulations.

Cooperative members and small farmers, who have ascertained how their economic and social interests coincide with those of socialism, are entering a new stage in which they will continue to advance to broaden their contribution to the country.

Spread of AIDS Checked Nationwide

FL0205131188 Havana Tele-Rebelde Network in Spanish 1700 GMT 29 Apr 88

[Text] Cuba has been able to stop the spread of AIDS on a national scale. While the number of AIDS victims grows around the world, the measures taken in our country make Cuba one of the few, or perhaps the only country, able to contain the spread of the disease. These are statements by Doctoral Candidate Jose Manuel Ballester [Director of Hematology and Immunology Institute] in this week's issue of the magazine BOHEMIA. The consequences of the measures taken in Cuba to stop the epidemic and other data concerning the present situation regarding this disease are dealt with in Professor Ballester's interview in BOHEMIA.

Barbados

Prime Minister Sandiford Presents Budget

FL2904201888 Bridgetown CANA in English 0026 GMT 29 Apr 88

[Text] Bridgetown, Barbados, April 28, CANA—Barbados Prime Minister Erskine Sandiford on Thursday announced 110.6 million dollars in new taxation and concessions totalling 55.6 million, as he presented a 981.1 million dollar (1Bds dol ; 50 cent U.S.) budget in Parliament here. Sandiford, in his first budget since taking over the Ministry of Finance and Economic Development last year, said his main aims were to

reduce a debilitating fiscal deficit, improve the balance of payments, stimulate manufacturing and agriculture, especially through exports and to provide new jobs.

The budget recurrent spending of 801.9 million dollars and capital expenditure of 179.2 million dollars. Projected revenue amounted to 753.4 million dollars.

The net gain to the consolidated fund from the new measures was 55.6 million dollars—providing a modest surplus of 7.1 million dollars on current accopunt.

Consumption taxes were increased on a wide range of goods, including petroleum products, to the tune of 83 million dollars; a temporary surcharge of between 5 and 7.5 per cent on net emoluments above 15,000 dollars a year was introduced as well as a surcharge of up to 7.5 per cent on corporation profits—depending on the number of new jobs created by the company.

In the interest, he said, of improved relations with Caribbean Community partners, Sandiford [said] he would remove government's stamp duty on Caricom imports following talks with other governments to agree on an effective date. This move he said would cost the government 20 million dollars.

In addition, announced immediate removal of the 15 per cent stamp duty on imported raw materials and packaging from external sources. This will cost the revenue 35 million dollars.

Sandiford said the government would commit the equivalent of 1.8 million dollars a year in concessions—essentially waived import duties and comsumption taxes—to the hotel sector over the next three years to help provide much-needed physical plant refurbishment for tourism—the island's main foreign exchange earner.

The finance minister in a three-hour presentation, said that prior to the budget government's projections for fiscal 1988-89 envisaged a 48.5 million dollar current account deficit. When added to anticipated capital spending he said the total deficit would have amounted to 227.7 million dollars or 8.8 per cent of gross domestic product. (GDP).

"The fiscal deficit is not a myth but a hard reality," Sandiford declared. "The threat to our balance of payments and to the foreign reserves is not a myth but a very present reality. The national debt is not a myth, but a hard reality. Unemployment is not a myth, but an ever present hard reality and a potentially dangerous social problem," Sandiford told Parliament. He lamented Barbados export performance, which declined steadily over the last four years. Sales to Caricom, he said, dwindled from 175.8 million dollars in 1984 to 74.8 million last year. The manufacturing sector must reverse this situation, he said. Government, he said, would provide assistance to the main foreign exchange earners to enhance their ability to penetrate extra-regional markets.

Haiti

Manigat Introduces Rural Property Plan

FL0205192488 Port-au-Prince Radio Nationale in French 1603 GMT 1 May 88

[Address to the nation by President Leslie Manigat on the occasion of 1 May at the Government Guest House—live]

[Excerpts] [Passage omitted] The nation must no longer neglect its workers socially. Let us reduce the differences, because we must help our people themselves to think of reasons to produce and the means with which to do so. If not, the differences will be either the cause of or the pretext for a confrontation in which the country cannot but lose. [passage omitted]

To engage in dialogue is not reactionary nor is it demagogic. To engage in dialogue is to not fall into the trap of reactionism or of demagogy. This is the way a (?barren) literature, a literature that is sterile and outmoded, of both the right and the left, would still like to have people in Haiti believe. Today, to engage in dialogue is to be progressive. [passage omitted]

It is in this spirit that we launch a new idea, here at home, on the occasion of the festival of agriculture and labor: the idea of jointly-owned, cooperative rural properties [bien rural cooperatif]. This is an idea we hold dear and which we would like to submit here to the nation for broad, collective, discussion.

You will remember that the Stenio Vincent Law of 12 January 1934 instituted family rural properties in our country which were 5 carreaux. These were properties granted to certain poor rural families to exploit in common. Well, in order to respond today to a new juncture that calls for cooperativism—that is, participation in voluntary work in solidarity—we in the government are beginning to hone in on the broader notion of jointly-owned, cooperative rural properties. As part of a future agrarian reform, we will grant certain yet to be determined portions of state lands to certain rural cooperatives, which will own the land jointly. This will be done where regional conditions permit.

This cooperative rural property will be nontransferable and indivisible. It will also be given priority technical support from the state and agricultural credit on privileged conditions, and will benefit from the entire package of measures involving several different ministries that we are planning with a view to modernizing Haitian agriculture and promoting our peasantry. You can already see more than a draft of the main lines in our government program, "Changing Life."

This jointly owned, cooperative rural property thus fits right into the agrarian reform announced by the Constitution. At the same time, it is undoubtedly in keeping with the imperative to produce. It is also in keeping with

the constitutional prescription to give the new republic a cooperativist bent while remaining compatible with the right to private property guaranteed by our basic charter.

In addition, this cooperative rural property plan is designed to stop the frittering away of Haitian agricultural lands, to promote small- and medium-sized businesses' agro-rural circles to the direct benefit of the peasant worker, to create the conditions necessary to attach the rural population to rural areas, and to group the efforts of the peasantry in a common undertaking, as corresponds with ancestral peasant traditions.

By putting forth this idea of a cooperative, jointly owned, rural property on this 1st day of May, the festival of labor and agriculture here in Haiti, and by submitting it to discussion as an example of democracy in action, we want to make it incumbent upon all of us to make this idea a project, and the project a reality. Collective national salvation lies in this sort of broad national dialogue, a path along which our people will find their truth and their life.

Thank you.

Nation Quiet Throughout Labor Day
FL0205211288 Port-au-Prince Radio Metropole in French 1600 GMT 2 May 88

[Excerpt] Yesterday was Labor Day in Haiti. There were no incidents: There were no street demonstrations anywhere in Haiti. The major union federations had agreed to make 1 May a day of reflection upon the working conditions of Haitian workers and a day of solidarity with the Haitian agricultural laborers in the Dominican Republic.

As for the government, President Manigat, in a message on the occasion of Labor Day carried over national radio and television, called for greater participation on the part of the Haitian people in the great task of national reconstruction. The Haitian president also promised to give cooperatives certain portions of state-owned lands as part of a future agrarian reform. [passage omitted]

Authorities Stop Casecs Demonstration
FL2904232588 Port-au-Prince Radio Antilles-Internationales in French 1700 GMT 29 Apr 88

[Excerpts] A peaceful demonstration was scheduled for this morning in front of the Legislative Palace at the initiative of the Carrefour-Gressier area to protest the fact that the Provisional Electoral Council and the prime minister have not yet published the results of the 31 January Casec [Administrative Council for the Communal Section] elections. The authorities forbade the demonstration.

More than 50 members of the Casecs from the commune of Carrefour were in front of the Legislative Palace this morning at 1000. As they had announced, they intended to peacefully protest, asking for the results of the Casec elections.

The police, which were there before them, stop the demonstration.

[Begin recording; unidentified speaker, in Creole] [Passage omitted] If the 31 January elections are not valid, then neither are the 17 January elections. [passage omitted] Let me tell you something: If there are no Casecs, then there is no president in Haiti. The president knows how he came to power. The Casecs were elected in the same way. [passage omitted] We are 567 communal sections from the 9 geographical departments of the country. We feel strong enough to mobilize the country. [passage omitted] [end recording]

Costa Rica

Arias Delivers State of Nation Address

PA0205162388 San Jose Domestic Service in Spanish 2131 GMT 1 May 88

[State of the nation address by President Oscar Arias at the Presidential Room of the Costa Rican Legislative Assembly Palace in San Jose—live]

[Excerpts] Legislative Assembly president, presidents of the other government branches, distinguished representatives of brother countries, deputies:

Today I present the country with the report of my 2d year in office. One day history will objectively judge these 12 months of intense political struggle for peace and development.

As a Costa Rican citizen and member of the Latin American community, and regardless of the mistakes or the good ideas that I made or had as president, I am proud of the achievements attained in these last 12 months. [passage omitted]

The serious conflicts in Panama and Central America place us in the geographical center of serious threats to world peace. This unfortunate situation considerably increases the obstacles for our development. I do not believe there is any other people in the world that, while surrounded by so many conflicts, threats, and misfortune, is capable of keeping its peace and its economic development intact. I thank God, because I belong to this people. [passage omitted]

Those who criticize our foreign policy want Costa Rica to be a slave to its past and dependent on interests that benefit only a few. To abandon the struggle before current challenges and to lock the homeland up within its borders is to condemn it to misery and to the Central American war. Our destiny is peace and development.

Exactly 1 year ago I talked to you about the Costa Rican peace plan. I told you: In a few weeks, the whole world will set their eyes on the destiny of our peace plan. I am aware of the enormous obstacles we must overcome. I have no reason to be silent when I know there are people trying to make the peace meeting fail. However, we will not lose heart.

Ours is an unyielding faith. Freedom and democracy will prevail. Peace will prevail. The trust we place every day in immense tasks is based on a homeland united by its most cherished values. That is not a government's foreign policy; it is the Costa Rican people's foreign policy.

Deputies, you are very well aware of my government's persistent and unyielding struggle to give peace a chance. The obstacles we overcame to arrive at the Guatemala meeting were gigantic. On the road there, we faced strong pressure to prevent the meeting. Some presented other peace plans and resorted to political maneuvers that made our task almost impossible.

In July 1987, I visited and met with all the Central American countries' presidents to secure the Guatemala meeting and to seek solutions to the problems that appeared on our way to peace. My visits once again confirmed the enormous power dialogue has.

Many predicted and wished for the failure of the Guatemala meeting. My faith in Costa Rica, in my people, and my conviction of being its most loyal servant always encouraged me to trust that our cause would triumph. Contrary to the editorials published by important newspapers, which predicted and hoped for our failure, against politicians, who joyfully awaited the defeat of the plan, I left for Guatemala with the overwhelming support of this great Costa Rica, which is strong because it generously offers the values we share.

On the day of my departure for Guatemala, on a radio and television network, I said: Costa Rica, you exist despite pains and threats. Some have tried to tell you that your existence is not porsible; that you are fiction; that you cannot continue being different; that the world's dreams are over; that we must take up the weapons and create an army. They want to tell us that one is [words indistinct] when one is brave enough not to have weapons and to avoid war; that you must be realistic and agree that your sons and daughters must participate in foreign wars.

They want you to proclaim that you are free, but they want to force you to think like them. They say that you must be either completely good or bad; that you must understand that some tell the truth and that others act on lies. I will continue dreaming. Costa Rica will continue dreaming. Peace is never wrong. Dialogue will never be the banner of fanatics. There will always be battles won in life and in the afterlife.

Those will be the battles for man's freedom, similar to the battles of El Cid. As I have repeatedly said, these battles do not know defeat. [Words indistinct] Central America, I have served my people's desire. With all of you, I have [words indistinct] all those years that our ancestors forged in the jungles, valleys, and seas of our homeland. We will push the threat of war away from our borders with the strength of the peace we inherited.

Now, on the day of my departure to the presidential summit, I cannot promise you that we will triumph. I can assure you, however, that we will never be defeated. I am not traveling alone. I am not traveling the path of vanity. I am loyal to your mandate and to a people who entrusted me with their dreams. They demand that I carry those dreams toward the future and turn them over to our homeland's youth untarnished.

I returned from Guatemala in August 1987 with a Central American peace plan, and our people were delighted in every corner of our homeland. The course of Central America's history had changed. We were talking about peace, not war. Newspapers and jail doors were being reopened. Governments and rebels were beginning to hold dialogues. The unjust accusation that the Nicaraguan Government had lodged against our country at the International Court of Justice at The Hague was withdrawn. Ahead of us lay the difficult path to peace and not solely the tragic option of war.

Governments from within and without [not further specified] have tried to thwart the peace plan and to proclaim its failure time and again. The Irangate scandal in the United States had a clear impact on Central America. Policies that called for military solutions and many advocates of such policies in Central America lost their authoritativeness when obscure dealings that posed a danger to the national security of several of our countries were disclosed. [passage omitted]

We, the five Central American presidents, met at the Alajuela border checkpoint (?on 15) January 1988. A few days before that meeting, I asked the contra chieftains who lived among us to abandon our territory if they were not prepared to give up the armed struggle. The asylum that our homeland grants is incompatible with warlike activities. Among us there is no longer any political refugee who advocates military solutions. We have allowed and will continue to allow men who have rebelled in other countries to meet on our soil to find peaceful solutions to their differences. [passage omitted]

Many think that the differences that separate us will prevail over the common goals we seek to achieve together. Thus far the predictions of failure of our dialogue have not come true. I trust they will prove to be false now and during the future of peace and democracy that we envision for our America. Those who abet violence and fill newspaper pages with words of hatred never die in battle. Those who desperately try to destroy the peace efforts are never the mothers who see their sons leave for war.

We are meeting today to assess our commitments, to rectify, and not to condemn. We are meeting today to further peace and not to consolidate war. We are meeting today to courageously face the obstacles on the path to Central American peace. We will never resolve our problems with victories or defeats in armed struggles. No one would emerge victorious in a war in Central America; poverty would not be decreased and there would be no freedom, no democracy. [passage omitted]

The U.S. Congress gave peace in Central America a chance by ending military aid for the Nicaraguan insurgents. In a public letter, I asked Mr Gorbachev to also give peace a chance. I pointed out to him that if he failed to act as the U.S. Congress did, he would bear the responsibility for many years of sterile war. I also noted that his refusal to end arms shipments to the region would expose his new political position as being insincere, as being one that cannot be trusted.

I must admit with dismay that I did not receive a sincere reply to my letter. We are well aware of the millions of dollars worth of Soviet arms sent to the Central American region. We must force the USSR to rectify its policy in Central America. To achieve this, we need the support of all friendly nations. The withdrawal of Soviet troops from Afghanistan represents for us a hope of achieving this rectification.

It is a fact that the East-West ideological confrontation is present in Central America. Arms shipments to the region are the best evidence of this. However, we cannot use this confrontation as a pretext with which to cover up the fact that many years of dictatorship and the hunger of millions of men, women, and children are at the very root of our problems. [passage omitted]

Central America is facing a difficult situation. There is expectation over progress made in Nicaragua; there is hope for a renewal of dialogue in Guatemala. Unfortunately, there is sadness, because dialogue was frustrated in El Salvador. However, the most important thing is that we are moving along the path toward peace. Many countries are helping us to ensure that Central America will resolve its conflicts through negotiation. [passage omitted]

Costa Rica does not participate in the armed conflicts of Central America but advocates a political solution for the threat of war. The most distinguished international forums, the United Nations, the OAS, the EEC, [words indistinct] and universities, and forums of businessmen, journalists, workers, and intellectuals have hailed Costa Rica's search for truth, its appeal to combat poverty. In one of the most brilliant hours of victory for our homeland, Costa Rica demonstrated the greatness of its humility and the power of its principles.

There are still many things to be taken care of on the path toward peace. I will never share the position of those who see in every obstacle the end of the road to peace. I do not share the idea that it is necessary to make war to achieve peace. The mandate of my people is first to end the war and then to work for peace. In the darkest moments, the great majority of Costa Ricans lost faith in the peace plan. How admirable it would be if the people could ignore fanatical minorities, however powerful they are. Nobody will be able to change our desire for peace, even if he spends millions of colones to pave the way for war.

This year, the uncertain political climate in Panama was added to already serious international problems. Conflicts have gradually exacerbated in this friendly country until the situation has become extremely grave with consequences very difficult to predict. We have tried to

cooperate in order for these conflicts to be peacefully resolved. We did it by advocating dialogue. Costa Rica advocates freedom and democracy so the war to our north can end.

Looking south, we advocate freedom and democracy to put an end to uncertainty. We cannot relax a single moment. Costa Rica is the strongest political factor in the region today. More than being a symbol, our homeland testifies to the fact that problems can be resolved in liberty, peace, and democracy.

Should Costa Rica hesitate and make room for violence and political instability, the hope for better times for all of Central America would end. A decade ago, our nation was one of Latin America's few democracies. Our responsibility at that time was greater because it was our duty to make captive America turn to democracy and freedom. Today Latin America has returned to freedom. Dictatorships still persist, but they must collapse. There are several countries with men who have taken up arms who must relinquish violence.

As one of the world's oldest democracies, we have to keep demonstrating that however great the difficulties encountered may be, only in democracy and in liberty can we resolve the pressing problems brought about by social injustices. We have sought peace in Central America, not only because we believe in this supreme value, but also because our tranquillity and our development depend on this peace to a large extent.

Let us not deceive ourselves. Regional conflicts scare away many investors, although we continue to have exemplary peace in our country. Let us not deceive ourselves. Even if we achieved overall development in Costa Rica, if neighboring countries continue to be at war and become increasingly poorer, the thousands upon thousands driven out by violence and poverty would seek refuge in our territory. Our efforts to achieve economic devlopment would be rendered sterile. We are already bearing the burden of this problem. Costa Rica must understand that our solidarity with Central America also responds to our need for both national security and development possibilities.

During the period for which I am giving you an account, we have strengthened our friendship ties with Latin America, Europe, Canada, the United States, and many other countries. The support and aid we have received from the Contadora and Support Groups for our peace efforts have been exemplary. This is the testimony of gratitude for Latin American solidarity, which favors peaceful solutions for the problems in the region.

Our international policy also allowed us to have better negotiations with multilateral financial organizations. Our bargaining position in our search for a way to pay our foreign debt has improved. Our capacity to open new markets was strengthened. After this [not further specified], I met in Costa Rica and abroad with more than 20 heads of state and many congressmen and foreign ministers of friendly countries.

I must also state that some presidents of large nations, such as Brazil and Spain, visited Costa Rica exclusively to get a direct report and to support the Central American efforts in favor of peace and economic development.

Our relations with the U.S. Government have been strengthened. Economic aid and trade cooperation programs have been adapted to better respond to Costa Rica's needs. There have been differences of opinion as to how to achieve lasting peace in Central America. We know that differences of opinion among friends always lead toward finding a bigger truth, a more appropriate way to overcome difficulties. We know that honest differences of opinion among people with common values always strengthen ties of friendship.

As shown by the facts, Costa Rica's diplomatic efforts have been noteworthy, particularly if we take into account the serious lack of resources and the low level of professionalism which, for so long, have hindered our foreign service. I have said many times that a country without an army, such as ours, located in one of the world's most troubled regions, is obliged to have an exemplary Foreign Affairs Ministry. Our national security depends on it to a great extent. We have made progress in improving our diplomacy, but I am still not satisfied. We must do a lot more. [passage omitted]

Drug legislation proposed by my government has been enacted. I wish to express my gratitude to you for providing Costa Rica with one of the most advanced laws in this area. I am also very grateful for the intense work performed by this Legislative Assembly in the investigation of drug trafficking and similar activities in an effort to fight corruption. At this time, I would also like to thank the mass media for their important work in fighting corruption. The legislative, judiciary, and executive branches and the press should intensify their efforts to fight corruption, without fear and regardless of a person's political affiliation, economic status, or any other distinction. Together we can fight corruption. [passage omitted]

I have already pointed out that I think the legislation you approved recently to reduce the cost of election campaigns is good. I do think, however, that we must go further. We must reform our Constitution to make certain that during its 4-year term the government will not be unnecessarily disrupted by electioneering. I believe, for instance, that there must be a constitutional ban on the nomination of cabinet ministers, deputy ministers, or executive presidents [of state agencies] for elective posts during the term following their tenure. There must also be a requirement that they resign when they actively join political activities.

I am convinced that this would be a sound practice for our democracy and, for this reason, I want to make an announcement and to establish a precedent today. I ask all of my cabinet ministers, deputy ministers, and executive presidents that if they intend to participate actively in the coming election campaign or to seek elective posts, they present their resignation from their posts to me within the next 8 days. If any of them resigns after these 8 days in order to participate in a political campaign or to seek elective office, I will be the first to denounce them before the country as men or women without honor who must not be trusted by the people.

I have 2 years of administration left, and I intend to govern up to the last day to fulfill the mandate I received from my people. To do so, I need the full cooperation of the men and women accompanying me. Costa Rica demands and deserves this devotion. I thank all of you for the criticisms and contributions that have allowed us to govern better this year. I beg you to help me even more to fulfill the government program for which the majority of the people voted during the last election. I beg you to help me keep the election campaign from blocking the Costa Rican people's desire to build a new economy and to struggle for peace in Central America.

We are traveling along the path of freedom toward development. We seek a more prosperous country amid democracy. The threats around us are very great. We are obliged to overcome serious obstacles within and outside our borders. I trust that the love of the homeland all of us share will enlighten us in order for us to win the battle for peace, development, and well-being for our people. Let us build an eternal Costa Rica, a Costa Rica without weapons, a Costa Rica without hunger. Thank you. [applause]

Nicaraguan Plane Crashes; Pilot Asks Asylum

PA2904130788 Buenos Aires REUTER in Spanish 0652 GMT 29 Apr 88

[Text] San Jose, 28 Apr (REUTER)—Rural Police Director Antonio Espinoza has reported that a Nicaraguan light plane crashed in northern Costa Rica and that the pilot later requested asylum.

The Costa Rican official said that 34-year-old Arnulfo Leiton was the pilot of the light plane, Nicaraguan registration number YNBSEL, that crashed today in the vicinity of La Tigra de San Carlos, approximately 150 km north of San Jose. Mechanical problems caused the plane to crash.

Leiton, who was not injured in the crash, told the people in La Tigra that he was a member of the EPS and that he was planning to request political asylum in Costa Rica.

Espinoza said that the Nicaraguan pilot was placed in the custody of the Intelligence and Security Directorate (DIS), and that investigations are under way to determine whether Leiton may be granted asylum.

El Salvador

UNTS Headquarters 'Totally Destroyed'

PA3004125988 San Salvador Radio Cadena YSKL in Spanish 1214 GMT 30 Apr 88

[Text] [Announcer] We now have a report by a member of the UNTS [National Unity of Salvadoran Workers]. Good morning, Mr Humberto Centeno.

[Centeno] Good morning, listeners of YSKL. We have an urgent communique issued by the UNTS—an urgent communique issued by the UNTS. A terrorist bomb of Jose Napoleon Duarte, the Armed Forces High Command, and the U.S. Embassy has destroyed the UNTS headquarters and endangered the lives of workers. We inform the Salvadoran people and the other peoples of the world that at 0240 this morning, members of the Armed Forces traveling in a military vehicle placed a powerful bomb in the UNTS main office. The bomb destroyed the front of the building, all the windows, the ceiling, and a large amount of film and office equipment. In addition, the explosion blew out all the doors in the office and destroyed the doors and windows of neighboring houses for more than 100 meters around.

In condemning this terrorist attack by Jose Napoleon Duarte's government, the UNTS calls on foreign diplomats accredited to this country to inform their respective governments of the kind of democracy that Duarte, the Armed Forces High Command, and the U.S. Embassy publicize abroad, while, in fact, the criminal acts they commit in our country, such as the dynamite attack on the UNTS, show that these criminals do not mind endangering the lives of workers.

[Announcer] Mr Centeno, were there any casualties? Was anyone killed or injured?

[Centeno] Well, thanks to the good luck of the workers who were in our offices, no one was seriously injured, but our offices have been totally destroyed, as were all the houses around the UNTS.

Government, U.S. Blamed

PA3004183088 Managua Radio Sandino in Spanish 1653 GMT 30 Apr 88

[Communique No 2 issued by the National Unity of Salvadoran Workers (UNTS) in San Salvador on 30 April—read by Marco Tulio Lima, UNTS member in charge of international relations, via live telephone relay from San Salvador]

[Text] Press Bulletin No 2:

Duarte has declared war against the workers. This morning at 0240 in the morning, Armed Forces and security agents traveling in military vehicles, under orders from the U.S. Embassy, the Christian Democratic Party

[PDC] government, and the Armed Forces High Command—within the framework of the declaration of war against the workers and popular sectors made by Defense Minister Carlos Eugenio Vides Casanova last (?9) March—placed in our offices a high-powered bomb, causing damage estimated at more than a half a million colones, partially destroying neighboring homes within a 100-meter radius, and seriously wounding Mrs Anabelle Micaela Valencia, an area resident.

At 1145 in the morning, national policemen wearing civilian clothes arrived and tried to make off with the companeros who were guarding the facilities and who resisted arrest. These incidents took place while National Guard members were posted around the area.

The U.S. Embassy, the PDC government, and the Armed Forces High Command, instead of finding solutions to the workers and popular sectors' economic, social, labor, and political demands, and incapable of restraining our just struggle, have launched this dirty, cruel, and merciless war, making accusations against, dismissing, capturing, and assassinating labor union and popular leaders, making them disappear and committing the absurd criminal action we are denouncing. They are mistakenly trying to make us renounce our just demands and struggles.

In view of this, we demand that the PDC government and the Armed Forces High Command:

1. Pay for all damage caused to our offices and neighboring homes.

2. End the war declared on the workers and popular sectors.

3. Settle the immediate demands of the workers and popular sectors.

We make an urgent appeal to our workers' rank and file to intensify their struggle until our demands are met and to participate massively in the march planned for Sunday, 1 May. The marchers will gather at Cuscatlan Park at 0900 in the morning.

We urge the international community and its diplomatic representatives in our country:

1. To encourage the U.S. Government, the PDC government of El Salvador, and the Armed Forces High Command to end the war against Salvadoran workers and popular sectors.

2. To abstain from continuing to send resources to the Salvadoran Government. The only thing they are good for is to promote the war of intervention and repression against the Salvadoran people.

3. To begin a campaign of solidarity with our struggle to achieve social justice, democracy, and national sovereignty.

For peace, justice, and national sovereignty,

[Signed] National Unity of Salvadoran Workers Executive Committee

San Salvador, 30 April 1988

FMLN Announces 3 May Transportation Stoppage

PA0205142288 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 2 May 88

[Text] Attention please: The FMLN General Command has decreed a national transportation stoppage beginning at 0000 on Tuesday, 3 May. We repeat: The FMLN General Command has decreed a national transportation stoppage beginning at 0000 on Tuesday, 3 May.

This decree, issued by our General Command and calling for a transportation stoppage, is the response of our revolutionary vanguard and of all our people to the repression unleashed by the regime against the people's movement; is in response to the terrorist attack against the UNTS [National Union of Salvadoran Workers]; is in response to attempts to prevent Santa Ana workers from participating in 1 May parades; is in response [words indistinct] sovereignty and independence promoted by all workers; and, is in response to the criminal escalation against all Salvadoran workers.

We call upon the various FMLN units in urban and rural areas to see to it that this decree from our General Command is strictly complied with beginning at 0000 on Tuesday, 3 May. The national transportation stoppage will begin on 3 May. For every repressive action by the regime, there will be a combative, organized, and armed response.

Armed Forces Operations

PA0305004088 San Salvador Radio Cadena YSU in Spanish 1200 GMT 2 May 88

[Text] In view of the transportation stoppage decreed by the FMLN, the Army will implement operations to keep FMLN activities to a minimum.

We have contacted Colonel Mauricio Ernesto Vargas, operations commander of the Armed Forces staff, to secure details on this situation.

[Begin recording] [Vargas] The powerless FMLN is desperately trying to subdue the Salvadoran people into a Marxist-Leninist framework, but the constitutional forces and the legal Armed Forces of El Salvador will increase their security efforts to safeguard the interests of all the Salvadoran people.

[Reporter] Col Vargas, will the "Caminante" operation be implemented again.

[Vargas] In view of this threat and the fears of some Salvadorans, we appeal to the people to realize that while it is true that fear is intrinsic to all human beings, it is also true that the ability of overcoming fear is also intrinsic to all people. We must make an effort in this direction because otherwise a minority will eventually steal our liberties and rights.

We must go to work and demonstrate that the people want the democratic system, that the people want persons who will represent them and not dialectic governments of broad popular participation, as the communists of the FMLN say. This is what we demonstrated at the latest elections—especially in distant towns in the northern regions of Chalatenango, San Miguel, and Morazan Departments—when the people went to vote in spite of pressure. In view of this situation, we have to be on the streets.

[Reporter] Colonel, do you believe that this transportation stoppage is aimed at making the Army withdraw its troops from northern Chalatenango and Morazan? The guerrillas are saying that the Army operations there have been a failure. Could the opposite be true, Colonel?

[Vargas] They are boastful; I have said this on many occasions. They are saying that the operations are a failure, but they are inside Honduran territory and facing a difficult situation because they have no capabilities. Where is the territory they brag about having under their control? Where is the liberated territory? In their desperation, they have no other alternative than to boycott transport to divert our military forces, but we are going to make the FMLN pay dearly for its irrational attitude.

What you have said is true. They are trying to make us withdraw forces from areas in which they are issuing communiques saying that the Armed Forces are failing. But their desperate actions make evident the opposite. On the other hand, we have had elections, and our economic life is increasingly active. In those regions, the people are telling them they must leave for Honduran territory. They are moving there in an irresponsible way, but they are irresponsible people and that is the way they act.

We are not going to stop our offensive actions aimed at neutralizing and expelling the criminal FMLN bums from our national territory so our people may have as soon as possible the peace we so much need. [end recording]

This was Col Vargas on the transportation stoppage decreed by the FMLN as of 0000 hour tomorrow, 3 May.

Coprefa Details April Army-FMLN Clashes

PA0105032288 San Salvador Radio Cadena YSU in Spanish 1800 GMT 30 Apr 88

[Coprefa report—date not given]

[Text] The Armed Forces Joint General Staff has reported that 72 FMLN rebels were killed and 47 wounded during April. The Armed Forces also reported the seizure of 113 rifles, 2 Uzi submachineguns, 5,950 rounds of ammunition, 433 kg of explosives, 57 fragmentation grenades, 11 revolvers, 9 radios, and various materiel used to make bombs. The Army has reported that 41 soldiers died and 76 were wounded during clashes with the FMLN subversives.

The report adds that during the same period, the terrorists killed 41 peasants, shot 11, and kidnapped 46 others. Likewise, the explosion of rebel mines killed 4 people and injured 21 others.

Three rebels were killed yesterday in clashes with the FMLN in Cabanas and Morazan Departments. Two terrorists were killed during a clash with 5th Infantry Brigade troops in the area known as Loma El Tital, San Isidro jurisdiction, Cabanas Department. The soldiers recovered two M-16 rifles, loaded clips, and other war materiel. Another extremist was killed when his group was caught by surprise by 3d Infantry Brigade troops near Pueblo Viejo canton, Perquin, Morazan Department. After the clash, the soldiers recovered a Hungarian-made 9-mm pistol, two generators, seven radios, seven backpacks with personal belongings, and some war materiel. The 3d Infantry Brigade is investigating the identity of the dead rebel because it is believed that he could be Commander Jonas [Jorge Melendez], who is in charge of the northern area of Morazan Department.

Meanwhile, it was learned that a soldier was killed and four wounded during a terrorist ambush of a military vehicle transporting Armed Forces Transmission Training Center, CITFA, personnel. The ambush occurred yesterday morning near El Angel sugarmill, Apopa jurisdiction, north of San Salvador.

Terrorists killed four women and two men at the Buenos Aires farm. The dead are Maria del Carmen Fuentes, 22; Marta Lidia Aleman Torres, 28; Juana Antonia Palma, 30; and her daughter, Ava Luz Palma, 15. According to eyewitnesses, the victims were dragged out of their homes and shot to death. Peasants Manuel Antonio Amaya and Luis Felicito Escobar, both 30, suffered the same fate.

The extremists distributed FMLN propaganda before leaving. They stated the six peasants had been executed for refusing to cooperate with the rebels.

At another location, a terrorist group killed Eduardo Torres Belloso yesterday. He was driving a vehicle with license No 75-755, which was set on fire near Quezaltepeque, La Libertad Department. According to police reports, the incident took place around 1000, near Nance Canton.

Terrorists set bus No 70-164 on fire yesterday afternoon. This took place near El Angel farm, Jayaque, on the Chultipan-San Salvador bus route. According to reports, the terrorists made the passengers get off the bus and forced them to leave without giving them a chance to retrieve their belongings.

Commander's Death Denied

PA0105215088 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 1 May 88

[Text] In the past few days the puppet Army's high command has reported through its press office that Commander Jorge Melendez, Commander Jonas, had been killed recently here in Morazan Department. This is part of a chain of lies told by the High Command. On other occasions it has claimed it wounded or killed Commander Ferman Cienfuegos, Commander Daniel Gonzalez, or Commander Joaquin Villalobos.

We are contacting Commander Jorge Melendez to interview him on our country's political situation. Therefore, we call on all our people and the foreign and international press to be listening to Radio Venceremos, because in other newscasts we will air that interview with Commander Jonas.

'Commander Jonas' Interview

PA0205201888 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 2 May 88

[Interview with FMLN Commander Jorge Melendez, Commander Jonas, by unidentified reporter in the northwestern part of El Salvador; no date given—live or recorded]

[Excerpt] [Passage omitted] [Reporter] Commander, on Saturday, 30 April, the High Command issued a report through Coprefa to the effect that clashes had taken place in Pueblo Viejo, jurisdiction of Perquin. In this report the High Command stated that you had been killed and that the Army had seized your supplies and materiel. What can you tell us about this?

[Melendez] This is psychological warfare on their part. At different times they have reported the deaths of various comrades, [name indistinct], Cienfuegos, Joaquin Villalobos, [name indistinct] Emilio Mena Sandoval, and a number of other comrades whom they have publicly declared dead. However, it is known that these reports are false, [words indistinct], they are a mechanism to keep their own troops' and soldiers' morale high. They use this mechanism to prevent conflicting reports from reaching their soldiers. They maintain their soldiers' morale with lies.

FMLN Forces Attack Government Troops

PA0205204088 [Editorial Report] The (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 2 May 1988 broadcasts a 14-minute report on attacks launched by FMLN forces. The first report notes that on 30 April, FMLN units from the Anastasio Aquino Paracentral Front in Cabanas Department successfully ambushed Military Detachment No 2 troops and National Guard forces traveling in a pickup truck near km48. The FMLN detonated three powerful mines, causing 10 casualties and destroying the vehicle. Forty minutes later, the report states, in the same area, the FMLN carried out another ambush with booby traps, inflicting five more casualties on the Armed Forces.

Another report states that on (?6) April an FMLN unit carried out an attack on Treasury Police positions in Tejutepeque, while simultaneously distributing propaganda in the area. Meanwhile, the report states, in (Las Ceicheras), another FMLN unit used Manuel Jose Arce mines to ambush a National Guard patrol in the vicinity of Tejutepeque; Six casualties were reported. The same reports indicates that on 30 April at 1330 hours, clandestine militia forces attacked the National Police in Ilobasco, while simultaneously distributing propaganda. On the same day at 1400 hours, clandestine militia forces distributed propaganda on the road between Tejutepeque and Ilobasco.

A third report, this time from Chalatenango, indicates that on 25 April at 2200 hours, FMLN units carried out a successful attack on troops from Military Detachment No 1 near (Echevarria) Canton. The attack was carried out with rifles, and the Army troops suffered 15 casualties. The report also points out that on 24 April at 1450 hours, a guerrilla unit ambushed an enemy unit in San Jose Las Flores. That action resulted in four Army casualties.

Meanwhile, a report from the southwestern part of the country indicates that on 1 May at 0730 hours in (Los Frailes), Usulutan, guerrillas detonated two Atonal mines between two military vehicles transporting troops. The Army suffered 16 casualties. On that same day at 0830 hours, an FMLN unit successfully ambushed a military convoy composed of several vehicles traveling on the coastal highway from the Armed Forces training center to San Vicente. Four Manuel Jose Arce mines were detonated and one of the vehicles was destroyed. Fifteen Army casualties were reported, while the FMLN reported no problems whatsoever.

Guatemala

Government Rejects Charges Against Officials

PA2904204988 Guatemala City PRENSA LIBRE in Spanish 28 Apr 88 p 2

[Text] Yesterday government spokesman Julio Santos emphatically rejected accusations against several government officials. These accusations were made in a bulletin attributed to a group called "Mountain Officers."

Santos stated the bulletin is the extreme rightists' reaction to the defeat they suffered in municipal elections, because Army officers act openly and do not hide behind anonymity.

The second point of the Mountain Officer's bulletin accuses the government of improving relations with communist countries. Santos referred to this point and said President Cerezo has not offered Cuba any support. Cerezo has only promoted the Esquipulas II peace plan, and this plan agrees with the government's policy of active neutrality.

Santos also said that it is not true that the PRC is financing the candidacy of any public employee. The officers' bulletin stated that the communists' candidate was Foreign Minister Alfonso Cabrera Hidalgo.

It is a pity that the president's dignity and that of other officials is not respected, Santos said. These officials are being linked to drug trafficking although the government is the main combatant against this scourge, he added.

In conclusion, Santos stated that the anonymous document is only trying to confuse the public.

Army Searches for URNG Radio Transmitter

PA3004184888 Guatemala City PRENSA LIBRE in Spanish 29 Apr 88 p 7

[Text] The Guatemalan Army High Command has deployed thousands of soldiers whose instructions are to locate the transmitter used by the URNG's clandestine radio station Voz Popular, according to a CERIGUA press agency report.

So far the operation to put an end to clandestine radio broadcasts has been unsuccessful, even though it has been conducted for a year, according to CERIGUA, which says it obtained the information from the radio station itself.

The CERIGUA report adds that, according to the URNG, on Wednesday and Friday of each week, when Voz Popular can be heard, there are clashes between Army troops and guerrillas in the Sierra de las Minas mountain range, in the western part of the country.

Deputy Foreign Minister's Home Attacked

PA0305040088 Guatemala City Cadena de Emisoras Unidas in Spanish 0100 GMT 3 May 88

[Text] No subversive group, either from the right or the left, has claimed credit for the two terrorist attacks that took place early this morning in Guatemala City. The first attack was against the home of Deputy Foreign Minister Ariel Rivera y Diaz, and the other one was against the home of (Chon Jing Lee Duarte). Damage at both places was not serious, but the residents and neighbors were alarmed because of the minor explosions.

It was officially confirmed that the explosion at the home of Rivera y Diaz, located at 7-48 1st Avenue, Zone 1, shattered several windows. The bomb at the home of (Chong Jing Lee Duarte), on 24st Street and 16th Avenue of Zone 5, broke several windows of neighboring homes. So far, no subversive group has claimed credit for these two actions. There have not been any similar actions in Guatemala City in the last few months.

Human Rights Attorney's Office To Close in May

PA0105220488 Guatemala City EL GRAFICO in Spanish 29 Apr 88 p 5

[Excerpts] Guatemala City, 29 April (from our editing room)—The Human Rights Attorney's Office will close in May because of a lack of funds to continue its work.

Gonzalo Menendez de la Riva said that office has confronted many problems during the past 6 months and has asked President Vinicio Cerezo for a minimum budget of 3 million quetzales to open branches in the Republic's interior.

We have been requesting a meeting with President Cerezo for over 1 month to discuss this matter. However, so far he has refused to receive us and has not even replied, Menendez de la Riva added. [passage omitted]

This institution was created by a constitutional order on 18 October 1987 and will have to die 6 months later, Menendez de la Riva said. He added: We will not be deceived by false promises made by members of the Christian Democratic government.

We are apolitical, and our duty is to ensure respect for human rights in Guatemala. Whenever necessary, we will punish those who violate those rights, regardless of what sector they belong to. We will not divert from our straightforward line, because we love our homeland and will defend it.

Honduras

May Day Marches Condemn Arcona Government, U.S.

PA0205220888 Tegucigalpa LA TRIBUNA in Spanish 2 May 88 p 72

[Excerpts] Yesterday some 15,000 workers marched through the streets of Tegucigalpa. The march was sponsored by the United Federation of Honduran Workers (FUTH) to commemorate the 102d anniversary of the Chicago massacre.

The workers began their march at Obelisk Park in Comayaguela shouting anti-government slogans and harshly criticizing U.S. Central American policy.

Another march sponsored by the Honduran Workers Confederation and the General Central Organization of Workers also started at the obelisk, about 20 meters from the FUTH demonstration.

The so-called "left-wing" group also marched on Main Street, but took a detour at 1st Street, near Mallol bridge, where Army soldiers were observing the march. The demonstrators shouted: "Soldiers, you are also being exploited." The soldiers did nothing in response. [passage omitted]

A cart was used as a float, and on it were effigies of President Jose Azcona, Armed Forces Chief General Humberto Regalado Henandez, and Uncle Sam. [passage omitted]

Another vehicle had a boot, decorated with the U.S. flag, smashing the Honduran Constitution.

In front of Herrera Park, a group of soldiers tried to divert the cart containing the effigies. Those on the main stage disapproved of this action and told the crowd about it.

Angry demonstrators then rushed at the soldiers and threw rocks, sticks, and oranges, but the soldiers withstood the aggression.

During their speeches, the FUTH leaders criticized the U.S. policy in the region and the Jose Azcona Hoyo government and the Honduran military for violating the Constitution. [passage omitted]

Shouting "Yankee garbage out of Honduras," the labor leaders criticized the presence of U.S. troops in Honduras and the U.S. policy that keeps Nicaraguan "contras" in Honduras. [passage omitted]

Ramon Custodio, president of the Committee for the Defense of Human Rights, said, "I am talking to the soldiers because the colonels are deaf." The soldiers laughed.

"Military men, listen to this message," Custodio said, "we are not willing to join the military men who are not drug traffickers; rather, we are willing to join the soldiers, the sons of peasants, who will not aim their rifles at the people." [passage omitted]

Nicaragua

Contras Refuse Further Talks Inside Nicaragua

PA0205165588 Madrid EFE in Spanish 1552 GMT 2 May 88

[Text] Miami (Florida, U.S.A.), 2 May (EFE)—"Contra" leaders are "indignant" over the treatment accorded them in Managua during the second round of talks with the Nicaraguan Government and refuse to continue the talks in that country.

Last night Adolfo Calero and Pedro Joaquin Chamorro, two of the five members of the Nicaraguan Resistance (RN) [Directorate], stated on their return from Managua that the Sandinist government has refused to fulfill its commitments and has created "an oppressive climate" that threatens to do away with any future dialogue in Nicaragua.

Despite Nicaraguan President Daniel Ortega's insistence that any new negotiations must be held in Managua, Calero stated that the "contras" are opposed to continuing the talks there because of the "Sandinists' restrictions on their personal freedom."

He [Calero] proposed that the site of the talks be Guatemala, the Dominican Republic, or Costa Rica.

An "RN" spokesman told EFE that this proposal must be considered by the rebel Directorate before a formal proposal is made to the Managua government.

Calero added that the Sandinists "have gone back on their promises and have no intention of fulfilling the Sapoa agreements."

The rebel leader added that the Sandinist government "has been taking a series of repressive actions against the Nicaraguan people and striking workers, while keeping us confined to our hotel."

The "contra" leaders stated that the latest talks reached a stalemate when the discussion began on how the humanitarian aid would be distributed to the rebels after they were relocated in the truce zones, on the release by the Managua government of 700 political prisoners, and on the authorization for the "RN" leaders to meet with the internal opposition.

The "contras," who insisted that the delivery of the U.S. humanitarian aid to the rebels was the principal point to discuss in Managua, rejected the government's proposal that the aid be distributed by the International Red Cross.

"The Red Cross in Nicaragua is another arm of the Sandinist government," Pedro Joaquin Chamorro said, noting that he preferred that a private organization acceptable to both sides be the one in charge of distributing the foodstuffs, medicine, and clothes to the rebel troops.

The "contras" and the Sandinists did not reach any agreement during the new round of talks seeking an end to the 7-year war, and ended the meeting on Saturday blaming one another for the lack of progress. They agreed in principle, however, to hold a new meeting between the 12th and 14th of this month.

President Ortega on Contra Talks, GDR Aid

PA0305022388 Managua Radio Sandino in Spanish 1930 GMT 2 May 88

[Text] Today President Daniel Ortega insisted that the negotiations with the counterrevolution must continue in Nicaragua, and he reasserted that the government is prepared to nip the problem in the bud if there is no agreement. Ortega said the contras must decide by 30 May if they are willing to extend the truce, as was proposed by the Sandinist leadership.

Ortega added that the contras must also decide on the site, which must be in Nicaragua, for the fourth meeting to discuss a cease-fire. The Nicaraguan president asserted: The counterrevolution has no other choice but to seek a negotiated solution, because it has been defeated militarily. We are prepared to launch a military offensive to nip the problem in the bud.

Ortega issued the statements to the international news media in Managua shortly after receiving aid donated by the GDR. The president said that this is the reply to the commercial embargo extended by the Reagan administration. He also emphasized the GDR's solidarity with the Nicaraguan people. The vehicles were officially presented by Dieter Albrecht, deputy chairman of the GDR's State Planning Commission, and are part of a government donation that included 24,000 tons of wheat sent in March.

The GDR aid was approved in November 1987 during talks between Presidents Daniel Ortega and Erich Honecker in Moscow, where they attended events marking the 70th anniversary of the October Revolution. A GDR ship also arrives at Corinto every month, bringing food and medicine donated by several GDR organizations.

[Begin recording] [Ortega] This is an example of [other countries'] solidarity with Nicaragua at a time when the U.S. Government, meaning Reagan, has renewed the economic embargo against Nicaragua. The GDR has adopted a firm position of solidarity concerning Nicaragua, breaking the embargo and offering all its support to the Nicaraguan people, who are defending themselves economically and militarily. Their solidarity has been reasserted today, not only with the donation but also with the comrade minister's presence. He came to discuss the issue in a more direct way, and to channel the GDR's cooperation to the Nicaraguan sectors that need it the most. I want to emphasize that Comrade [name indistinct] has always been receptive to our proposals, and he is willing to help us overcome our problems so that we may defend the revolution.

[Reporter] Commander, may I ask another question? What is your view of the talks? What do you think will happen?

[Ortega] We have already stated that the talks must continue in Nicaragua. We have offered a 30-day deadline to decide if the truce will be extended beyond 30 May. The contras have rejected the idea, but we do not know what their future reaction will be. They rejected the deadline in principle but, well, we will see what happens this week. They have no choice but to continue working on a negotiated solution instead of insisting on a military solution, because it has been proven that that is no longer possible.

[Reporter] What if there is no agreement by 30 May and if [words indistinct]?

[Ortega] We are prepared to launch an offensive. We will mobilize our forces to defeat the mercenary forces and avoid an indefinite prolonging of the war. We will nip the problem in the bud if the negotiating process reaches a (?dead end) on 30 May. [end recording]

RN 'Convinced' War Lost

PY291537 Buenos Aires TELAM in Spanish 0829 GMT 29 Apr 88

[Text] Buenos Aires, 29 Apr (TELAM)—Nicaraguan President Daniel Ortega has asserted that "the contras" [Nicaraguan Resistance, RN] are convinced that this war has been lost and that the only alternative that (U.S. President Ronald) Reagan has is a U.S. military intervention, which he believes would not be easy to carry out.

Ortega, who confirmed that his country will continue to implement a pluralist system and a mixed economy, stated: We are not afraid of an ideological and political struggle. He expressed support for the instruments that have resulted from the revolutionary process.

Ortega added: We are working seriously to achieve peace within the framework of the Esquipulas agreements, without renouncing, obviously, our rights to sovereignty, self-determination, security, and the protection of Nicaraguan lives through our military defense mechanisms.

The Nicaraguan president said that right now, we face the intransigent attitude of the U.S. Government and President Ronald Reagan, who refuses to accept that agreement and, therefore, the Sapoa accord, undermining this effort.

In a statement to the daily PAGINA 12, Ortega said that if the peaceful efforts fail, we will summon all the Nicaraguan forces and probably launch an offensive to wipe out the counterrevolution as soon as possible.

Borge Comments on Negotiating With Contras

PA0205144388 Managua Radio Sandino in Spanish 1200 GMT 2 May 88

[Speech by Interior Minister Tomas Borge in Matagalpa on 1 May—recorded]

[Text] We have chosen to negotiate because it does not make sense to shed blood if we can avoid it. Nobody can doubt the counterrevolutionaries have been defeated both strategically and historically. Yet the possibility of reaching peace faster was made possible through Esquipulas and even more so through Sapoa.

Our government's delegation, headed by our brother Humberto Ortega, made every possible effort to lead the counterrevolutionaries to an understanding. Dark forces, hiding behind our interest in peace and underestimating this heroic people, raised serious, but not insurmountable, obstacles in the way of the negotiatons. You know this is not the first time we Sandinists have negotiated. Sandino started his struggle with an army of peasants and workers because the political parties of the time surrendered to imperialism, as Sandino used to say, with everything they had.

But Sandino defeated the Yankee Marines and later agreed to negotiate a peace agreement. Sandino never failed to comply with his commitment. Nevertheless, Sandino was murdered on 21 February of 1937. Anastasio Somoza, the father of all these counterrevolutionaries, allied himself with the U.S. Embassy to murder Sandino.

But we have learned our lesson. The Sandinists will never again be tricked. We will never again fall for a trap set by criminals. We will negotiate in good faith, with our cards on the table, so to speak, honestly, but we will not let anybody deceive us. We will never fall for a trap.

We will commemorate 1 May every day of the year. We will prepare ourselves to defend our homeland at the right time with all our energy. We will increase our fighting ability in case we have to go to the battlefield once more. We will aim our weapons carefully while in combat to make every shot count. At the same time, we will not cease to negotiate to seek a formula for peace, even if we have to exhaust our patience. Some times patience grows thin. We will, however, try to be more patient and understanding for the sake of those who are confused. We will reiterate our confidence and our unalterable faith in this people who were born for glory and victory, in this people who never knew or ever will know defeat. Free fatherland or death! [applause]

On Talks, U.S. Stand

PA0305042288 Managua Radio Sandino in Spanish 1930 GMT 2 May 88

[Text] Commander Tomas Borge gave a speech to the 6th Region workers who had gathered in Matagalpa, his hometown. He gave a lengthy explanation of the negotiations to end the war that has caused so much harm to the country, particularly in the 6th Region. Commander Borge presided over the 1 May celebrations.

[Begin Borge recording] [Our] freedom will not be defeated by a minority that wants to restore its privileges and that sometimes confuses the people. They say we have interfered with this freedom, yet barely 150 people attended a large demonstration a few blocks from here that was organized by the country's right-wing parties and businessmen. [whistles, catcalls from the crowd]

Nevertheless, the war being waged between peasants and their relatives has only benefited the merchants of death. We must attain peace so workers and peasants no longer have to die and sacrifice themselves. We are facing a difficult and critical moment in the negotiations to attain a definitive cease-fire. Nevertheless, we have struggled and will continue to struggle to attain a quick and permanent peace.

Explaining the process of attaining a definitive cease-fire is extremely important in a region such as this, which has been the site of a war and where the people's hopes for peace are quite clear. I hope you have listened, through the radio, to the statements of those who are the protagonists of a war imposed on us, because they defend a policy of peace.

I believe all of you are aware of the negotiations for a definitive cease-fire, and if this definitive cease-fire is achieved, the revolution would be allowed a new opening. No one is more interested in signing a peace agreement than the Nicaraguan people. The revolution did not die of economic asphyxiation or military defeat. We have had, and continue to have, serious economic problems, but we have managed to defeat our enemies militarily.

Nevertheless, the President of the United States, Mr Reagan, is doing the impossible to worsen the economic crisis and maintain the war. [sentence as heard] The results attained yesterday, which were not what we wanted, are the result of the U.S. Administration's warmongering policy.

People of Matagalpa, Jinotega, and the entire region, we cannot harbor hopes that the Reagan administration will accept our existence. Mr Reagan will continue to struggle against the Sandinist revolution until the very last day of his extremely long life. As soon as he leaves the U.S. Presidency, he will surely organize the Committee of Hate Against Nicaragua to continue fighting against our people. That is the truth; we cannot expect otherwise.

Despite all this, Mr Reagan has not been able to defeat us; he has not been able to defeat this impoverished country! This country will never be defeated, regardless of the problems we have to face! Reagan will be followed by another president; then another president will follow him; and then who knows how many other presidents will follow. However, no one should harbor any doubts that the Sandinist revolution will continue to exist, no matter how many presidents the United States has in this century! [applause] [end recording]

Interior Ministry on Strike Disturbances

PA2904203288 Managua Domestic Service in Spanish 1900 GMT 29 Apr 88

[Communique issued by the Public and Foreign Relations Office of the Interior Ministry in Managua on 29 April]

[Text] The Sandinist Police General Directorate reports public disturbances in the area of the General Confederation of Independent Workers headquarters and announces specific measures will be implemented to restore public order and to guarantee free movement of vehicles and the personal physical safety of people within the workers' headquarters. Medical personnel and union leaders who are duly identified will be allowed to enter the facilities.

Managua, 29 April 1988

[Signed] Public and Foreign Relations Office

Interior Ministry

CGTI Headquarters Surrounded

PA3004164088 Managua Radio Sandino in Spanish 1930 GMT 29 Apr 88

[Text] Today the Sandinist police blocked the entrance to the General Confederation of Independent Workers, CGTI, facilities in an attempt to prevent actions by certain people who are bent on disturbing public order. Approximate 20 riot policemen dispersed demonstrators who were blocking the street and shouting slogans against the government and the FSLN.

Meanwhile, some people who were inside the CTGI facility used loudspeakers to make their demands and to insult people while radio stations that support the rightist and opposition sectors reported that the CGTI was being attacked by special troops.

The CGTI went on strike 2 months ago, and approximately 30 of its members started a hunger strike 4 days ago. The strikers are demanding a 200-percent wage increase. Supported by the United States, the disturbance of public order in front of the CGTI facility began yesterday, the same day on which the third round of talks between the Nicaraguan Government and the contra leadership began in Managua. The government and the contra leadership are trying to reach an understanding that will end 7 years of war.

The opposition political parties used the strike and the suspension of talks between the workers and the Labor Ministry as an excuse to withdraw, for the third time, from the dialogue with the Nicaraguan authorities. The dialogue, in search of national reconciliation, is established in the Esquipulas agreements. The government has said that this maneuver, carried out by some unions that support certain opposition parties, is being promoted by the U.S. Embassy and the CIA.

Panama

Further Reportage on Labor Solidarity Meeting

Maj Delgado Report

PA0205035388 Panama City LA REPUBLICA DOMINICAL in Spanish 1 May 88 p 2-A

[Report presented by Major Daniel Delgado Diamante, executive director of Panama Canal Treaty Affairs, during the "First International Labor Union Meeting of Solidarity With Panama, for Peace, Nonintervention, and Sovereignty" at the Atlapa Convention Center in Panama City on 30 April—passages in capital letters as published]

[Text] "Good morning, delegates to this First International Labor Union Meeting of Solidarity with Panama, for Peace, Nonintervention, and Sovereignty." [quotation marks as published] A fraternal and warm greeting from uniformed workers, the Panama Defense Forces [FDP]. The international labor union movement has historically been the vanguard of the vindicative struggles of the poor people in Latin American and the world. Your presence in Panama in this decisive hour in the struggle for Panamanian dignity and the solidarity shown by the workers of the world toward our country not only relieves the suffering of the Panamanian people, but also encourages us to continue to achieve the objectives of sovereignty handed down to us by our martyrs and our generational leader General Omar Torrijos Herrera.

The current situation in Panama—with the strangling of our national economy, the internal political crisis, and the preparation of an armed intervention already organized within our own borders—endangers the security and stability of our country and thus the rest of the Latin American countries. The Latin American labor movement is also in danger. However, this situation is not the result of a series of improvised actions or of decisions born out of unexpected circumstances. Behind everything that has taken place, there is a plan that has been prepared very carefully by the U.S. State Department, by officials with an obsession with Panama. The plan has been conceived for a process that would take several years to implement—with clearly defined stages; with

different options to be taken according to the development of events; and within a continental strategy that demands the annihilation of the nationalist struggle of the Panamanian people and that demands the subjugation of the national government and the neutralization of the FDP. All this is intended to take away the gains of the Panamanian people.

We want to share with you the terrible experience we are enduring, not only in the search for support and solidarity, but also with the awareness that as an international labor movement that knows about Panama's reality, you will contribute toward informing the rest of the world about this reality.

We are not a threat to any country. As patriots, we are only defending the rights of our country within a framework of respect, sovereignty, independence, and territorial integrity of countries; within the norms of self-determination of peoples, nonintervention, the nonuse of force; and within a framework of democracy as a political system of government. These are principles that Panama has always respected and will respect.

THE U.S. MILITARY PRESENCE IN PANAMA

The Panama Canal Treaties were signed on 7 September 1977 in the framework of a solemn meeting of the OAS in Washington.

In these treaties, the Republic of Panama signed an agreement with the United States by which the Armed Forces of both countries would have the joint responsibility of protecting and defending the Panama Canal. That was the only reason by which the U.S. military presence was authorized in Panama. In addition, it was agreed that Panama's share of responsibility would always increase and the U.S. share would decrease. It was also agreed that the number of U.S. troops in Panamanian territory would not be greater than the number of troops that were already in Panama when the treaties were signed.

For the past 18 months, U.S. troops in Panama have not only increased in number, but they have also increased their sophisticated offensive technology and the hierarchy of their commands. The deployment of U.S. troops has not only taken place in the last few days. The most recent deployment of troops has not been the only one. According to the treaties, the number of U.S. troops in Panama has long been exceeded by several thousand.

However, let us talk about the latest details of the actions and military preparations that have taken place, all in violation of the Torrijos-Carter Treaties and our sovereignty.

On 3 March, when the economic pressures imposed on Panama were not successful in achieving the objectives of the U.S. State Department's policy on Panama, the large-scale military mobilization toward our territory began.

The U.S. military presence in Panama was increased by more than 1,000 members of the 82d Airborne Division, a battalion of the 53d Brigade of the Florida National Guard, another battalion of the 92d Brigade of the Puerto Rico National Guard, 250 "Ranger" commandos, groups of experts in electronic warfare, 300 attack and troop-transport helicopters, 1,300 Marines, 38 Hummer vehicles, 23 transport jeeps, 35 UH-60 helicopters, 5 Cobra helicopters, and 800 Marines [as published].

Those troops have arrived in our territory to a nonexistent theater of war to fight an equally nonexistent enemy, with a mission that has only caused confusion among those same troops and created an atmosphere of tension and worrisome expectation among the Panamanian people.

Their intimidatory actions contrast with the serenity, good sense, and prudence shown by the FDP in practice.

Moreover, for more than 1 year, U.S. Air Force aircraft have been violating our airspace in maneuvers of mock attacks on FDP installations and overflights of Panamanian military training activities.

Those intimidatory actions have not broken our patriotic will. They have not led to a greater conflict, because of the FDP's high degree of discipline and professionalism, and because its high-ranking commanders have understood well the terms of the current struggle. We know how important it is for all America to avoid provocations and prevent the outbreak of a new center of regional conflict.

Today, testing a new strategy against Panama, U.S. civilian officials report the presence of "Cuban and Libyan troops" in our territory. Nothing could be further from the truth. They do not want to recognize the FDP's patriotic will and its nationalist doctrine and the Panamanian people's willingness to struggle to defend their sovereign rights and demand respect for what was agreed upon in the Panama Canal Treaties.

All of you are aware of the changes that have taken place in the vision of the world upon which the U.S. political and military strategy is based.

The conventional forces and the low-intensity conflicts have been acquiring a marked predominance, and the establishment of outposts constitutes a relative strategic advantage.

Within that fundamental change that has been taking place in the past 10 years, the geographic position, the bases, and the U.S. military presence in Panama have

gained a value different from that attributed to them in the past. According to that U.S. interpretation, the installations and the U.S. military forces in Panama constitute the main link in implementing its "national security" concept in Latin America with a foreign policy that coincides with the U.S. Government's plans and interests.

From that viewpoint, the function of that military enclave is not only the protection and defense of the canal; it also constitutes an outpost for intervention and control of the Latin American countries. For that purpose, the United States has installed in Panama the military structure or body known as the so-called Southern Command of the U.S. Army, with attributions that extend from the border with Mexico to the furthest tip of Patagonia. The presence of that command in Panamanian territory is not contemplated in the canal treaties, nor has it been authorized by the Republic of Panama in those pacts or in any agreement or treaty.

As can be inferred, because of its interventionist nature, the Southern Command is a potential target for reprisals by U.S. adversaries that do not necessarily have to be hostile to Panama, which does not have enemies. Therefore, the presence of the Southern Command in Panama is a threat to the canal and its users, to Panama, and to the sister countries of our America.

U.S. INTERESTS AND OBJECTIVES IN PANAMA

The present U.S. objective is to ensure, starting now, not only the extension of its bases and troops on Panamanian territory beyond the year 2000, but the increase in the amount and quality of their offensive capacity. The principal obstacle to achieving this is the provisions of the Torrijos-Carter treaty and the determination of the Panamanian people, government, and military forces in demanding compliance with the treaty as it was signed and ratified by both countries.

According to studies made to begin planning the departure of the U.S. military forces from Panama, this process should begin no later than 1989, and this year the U.S. Congress must begin to approve appropriations to pay for this. Therefore, any change destined to achieve the objective of remaining beyond the year 2000 should occur in 1988 or 1989. This is the root of the aggression. Therefore, since the end of 1985, Panama has been subjected to intense political pressure and an asphyxiating economic noose, to impose a change in the attitude it has been maintaining.

In this context, it is necessary to analyze the rhetoric of "democracy" and "human rights" of the official U.S. speech [not further identified] concerning Panama and the real objectives, the strategic interests of "national security" that these words pretend to conceal, which are their interests. These cannot only be different from the interests of the other countries on the continent, but can also represent a threat to all.

The present U.S. strategic military viewpoint considers vital the retention and even improvement of this system of bases beyond the year 2000 because of the strategic geographic location of our country and the Panama Canal. The increase in troops and the modernization of the installations point toward the intention of establishing a much larger force in Panama.

As a sign of the real U.S. interest in Central America and Panama, I want to share with you the contents of a letter sent by Edward Fox, assistant secretary of intergovernmental and legislative affairs of the State Department, to Senator Jesse A Helms, dated 26 March 1987; it states:

"The State Department shares your viewpoint that when the Torrijos-Carter Treaty is renegotiated, the permanence of the U.S. military presence in the Panama Canal area beyond the year 2000 should be included as a subject for discussion. The maintenance of power by the Sandinists in Nicaragua, the activities of the Salvadoran insurgents, and the influence of communist Cuba in the region make it urgently necessary that the United States strengthen its position in Central America.

"The continuous polarization of the political forces in Panama can lead to a crisis in that country, which would represent a serious threat to the stability of the region. The State Department believes that to prevent this situation, steps must be taken that will lead to the resignation of General Noriega as commander in chief of the National Guard and the establishment of a temporary government composed of politicians with a moderate mentality and high-ranking military officers who will see the promotion of the democratization process and the safeguarding of U.S. strategic interests as their principal objectives."

"I want you to know that the importance of these problems is fully appreciated in the White House and here at the State Department, and that effective steps will be taken to resolve them."

This letter evidently constitutes factual proof of the motivations supporting the aggression our country is presently suffering.

Panama has established itself as a neutral country, and its canal will be at the service of the ships of all the world's flags. The presence of foreign military bases and forces in our territory, regardless of their origin, would not only be contrary to the Statute of Neutrality but would also undermine our own national security, because this would convert Panama into a target for reprisals by the opponents of those non-Panamanian forces.

Therefore, Panama emphatically rejects and will reject any attempt by any country to attempt to maintain or establish military bases on our territory, as well as any other presence of military forces other than the FDP.

The same is true for the proposals of the Santa Fe committee to place the Panama Canal under the protection of Inter-American Defense Board.

U.S. HEGEMONY ON THE CONTINENT

Panama's experience demonstrates that what is in progress is not just a plan aimed at our country, but the beginning of a strategy of domination directed equally toward the other countries of the hemisphere because of the strategy's roots in the imposition of a concept of hegemony and the intervention of the strategic interests of the present U.S. Government over all Latin American countries, regardless of the norms of international law. This plan conceives of Panama as a military outpost that violates the sovereignty and integrity of the country and the sovereignty and security of the other Latin American countries.

In April 1986, the Panamanian authorities learned of a Defense Department document concerning U.S. foreign policy in America. Among other things, it included a conceptual explanation of what it attempted to do in Panama. Under the title "Systemic Change" [title given in English], or "Change of System," it stated:

"A policy of change of system is an intentional effort on the part of one component of the U.S. Government to modify or remove one or more elements or characteristics of a country. These elements or characteristics can include one law in particular, an existing model of conduct, norms and procedures concerning a specific activity, a system of values, or the nation's government structure or ideology. The reason for the existence of a policy of change of system is that often a particular policy regarding a certain country is seriously obstructed or completely lacking in effectiveness UNTIL CERTAIN INTERNAL CHANGES HAVE OCCURRED IN THAT COUNTRY."

Elsewhere, the document concedes that different "elements of the U.S. Government are using activities of change of system in Panama with great intensity, but these are not yet recognized as changes of system and are mostly improvised." Improvisation as a problem was resolved when Elliott Abrams of the State Department established the policy of aggression against Panama.

Another document from this department states that "Panama's economic difficulties and its dependence on the U.S. banking community make it potentially receptive to our pressures."

In addition, in its structures, in its development, and in its tactics, the subversive movement that emerged on 7 June 1987 in Panama has sinister similarities with the general directives and details of actions of a "Manual of Sociological Operations in Guerrilla Warfare" that was reported 4 years ago at the United Nations. The contents of this manual have been adapted to the Panamanian situation, with an exactness that shows little creativity.

To all the statements and documents, which have been adding up since 17 December 1985, when Gen Manuel Antonio Noriega refused to agree to a proposal made by Admiral Poindexter to implicate the FDP in actions against the Nicaraguan Government, one must add in recapping the words of Norman Bailey, former member of the U.S. National Security Council, who said on 29 March 1988: "Getting rid of Noriega does not resolve the problem. To remove the roots of the problem, the FDP have to be decreased to one-half or one-third, and all the high-ranking officers replaced." This statement must seem inconceivable to you.

We also consider it inconceivable sometimes. It is as if we were suddenly dropped into a nightmare in which reason, logic, laws, and normal conduct of respect among states had disappeared.

But there is the truth: a mortally wounded economy, a permanent threat of war without cause or justification, a Panamanian people who cannot understand how so much abuse and so much injustice is possible against our country.

The intolerableness of the U.S. Government's conduct stands out even more when one sees the wisdom and good sense with which the Panamanian people and government and the FDP have acted at all times.

Neither Panama nor its FDP are a threat to the political, economic, or military security of any state.

Our history has been one of friendship, harmony, and respect for everyone. We are a peaceful country, and we offer peace to all nations of the world. However, we demand no less in exchange.

The analysis that we have made up to here is enough to underscore an aspect of the aggression against Panama that has to date been the object of little debate. That aspect is the dangerous implications that the interventionist precedent that is being developed against our country has for each and every Latin American nation and armed forces.

In the history of inter-American relations, there had never been the case of a big power refusing to recognize the legitimate government of a friendly country and the command structure of its armed forces, demanding and pressuring through all means available in order to passively violate at its whim those pressures, and to yield to them the Panamanian Government and its Armed Forces would in fact become accomplices in betraying their own people and the national institutions to which they owe loyalty without price or doubt. [sentence as published]

In light of this aggression, the FDP has acted and will continue to act with the professionalism, prudence, and serenity that characterizes the Panamanian soldier. That

responsible attitude is first of all based on our patriotism. But that attitude is also based on the FDP officers, noncommissioned officers, and troops' awareness of their duty to the sister peoples of Latin America.

The aggression that Panama is suffering today has clear implications for all of Latin America. Because of this and with the tradition of brotherhood begun by the Panamanian soldiers who fought for Latin America's freedom in Ayacucho, we believe that by confronting this aggression we are occupying a frontline position in the battle for the dignity and sovereignty of all the Latin American nations.

The Panamanian Government, people, and Armed Forces' position has already received the support of SELA in the economic area; ECLA in the socioeconomic area; and the Nonaligned Movement and other organizations, such as the Permanent Conference of Latin American Political Parties, in the political area.

Today we have explained to you, the international trade union movement, the reasons for our struggle. We do so moved by the respect you inspire in us. We are sure that the solidarity that you show in this patriotic struggle for national dignity will materialize if we are the object of a military aggression.

We are sure that when such a moment comes, the battle of Panama will reach the same continental dimension as the aggression unleashed by the U.S. Government against our fatherland already has reached.

Thank you very much.

Decrease Dependence on U.S.

PA3004203888 Hamburg DPA in Spanish 1902 GMT 30 Apr 88

[Text] Panama City, 30 Apr (DPA)—During the closing session of the International Trade Union Solidarity Congress, Panamanian Deputy Foreign Minister Jose Maria Cabrera said Panama must decrease its economic dependence on the United States.

Likewise, Cabrera stressed that "it would be unreasonable to establish diplomatic relations with the USSR in order to balance forces against the United States."

In his speech, Cabrera said Panama believes there should be a diversification of diplomatic and commercial relations with all the countries of the world. "It is not likely that just because we want to, or because the gringos want to, we are going to change our capitalist economy to become a socialist country from one day to the next."

Cabrera stressed that there are many alternatives for cooperation with other countries, like the FRG, the UK, Japan, and the Latin American countries, to name a few.

Solidarity Meeting Resolution

PA0205205788 Panama City Domestic Service in Spanish 1200 GMT 2 May 88

[Resolution issued by the "First International Labor Union Meeting of Solidarity With Panama, for Peace, Nonintervention, and Sovereignty" at the Atlapa Convention Center in Panama City on 30 April]

[Text] Governments should do what the people want. Labor organizations representing 400 million workers from throughout the world, meeting from 28 to 30 April at the Atlapa Convention Center in Panama City at the invitation of the People's Unity Front [FUP] to express solidarity with the sister peoples and Government of Panama and against imperialist aggression, resolves:

1. To report and reject intervention in the internal affairs of Panama, and the U.S. imperialist economic, political, and military aggression against the Panamanian people and Government.

2. To demand from the U.S. Government respect for Panama's self- determination and sovereignty, and the immediate elimination of the economic measures against Panama.

3. To demand that the U.S. Government strictly complies with the Torrijos- Carter Treaties, which obligate the United States to deliver the Panama Canal in good operating condition and to withdraw U.S. Armed Forces on 31 December 1999.

4. To report to our governments, organizations, and peoples that the aggression against Panama is an important part of the strategy to prevent the independent economic and political development of our peoples and to secure the domination and exploitation of Latin America as its strategic rearguard.

5. To establish committees and other forms of solidarity with Panama with the fundamental objectives of reporting the imperialist aggression and organizing the urgent dispatch of contributions of food, medicine, money, and any other kind of help.

6. To urge all labor unions and regional and international organizations to urgently affect greater and more effective solidarity with the Panamanian people and their people's movement. We also extend this appeal to all youth, intellectuals, women, peasants, and other organizations throughout the world.

7. To ask the government in our countries to approve special credits, deposits, aid, energy resources, and food to help the Panamanian people and Government, according to the needs and requirements of the Panamanian Government.

8. To support FUP and its proposal that a national government of unity and commitment should be established as a political solution to the crisis. This government should be headed by Manuel Solis Palma and be composed according to the FUP proposal, which guarantees the completion of the decolonization process and guarantees a decision regarding the command headed by General Manuel Antonio Noriega—respecting the national interest and Panama Defense Forces Law 20—without U.S. imperialist intervention.

9. To support the Panamanian Government in all its efforts before the organizations and highest international courts to defend its sovereignty and the compliance of the Torrijos-Carter Treaties.

10. To declare Ronald Reagan as the No 1 enemy of the peoples of the world, particularly Latin America and Panama.

11. To declare ourselves in permanent solidarity with the Panamanian people and Government until we defeat the imperialist aggression.

Latin America's revival must not be hampered; it should be supported to encourage peace. A new awareness is being created among Latin Americans, and there will be peace only when we allow this awareness to follow its own path. Whoever opposes this attitude is creating the hostility that promotes the existence of conflicts. If we are prevented from making peaceful changes, we are pushing our peoples to promote violent changes—Omar Torrijos Herrera, UN Security Council, 15 March 1973.

Health Minister Makes 'Urgent' Plea for Aid

LD301114 Madrid Domestic Service in Spanish 0600 GMT 30 Apr 88

[Text] In Madrid, [Jose Reyes], the Panamanian minister of health, has made an urgent plea for international aid to alleviate the serious lack of medicine and food in Panamanian hospitals.

People's Unity Front Sponsors Workers Rally

PA3004145788 [Editorial Report] Panama City Domestic Service in Spanish at 1629 GMT on 29 April begins a live 1-hour 4-minute relay from the Santa Ana Park in downtown Panama City, where a workers rally organized by the People's Unity Front, FUP, to commemorate International Labor Day is being held. The station announcers explain that the Panamanian workers marched from Fifth of May Plaza, where they gathered with representatives from various international trade unions attending a solidarity meeting in Panama.

Alvaro Munoz from the National Council of Organized Workers, speaking on behalf of the FUP, says, regarding the solidarity of workers from throughout the world for Panama, that it "should encourage all peoples of the world and all governments to express solidarity with the Panamanian people." Munoz also charges that the "Labor Ministry has been playing a role in favor of the Civic Crusade entrepreneurs, and there are many corrupt officials in that ministry." He then points out that "in light of the political crisis in the country, the FUP feels that it is urgent to have a national agreement and will therefore propose the establishment of a national unity government to include representatives from the government, the opposition, and people's sectors."

After Munoz concludes his speech, Deputy Labor Minister Victor Collado speaks on behalf of the national government. He congratulates the "Panamanian workers who have prevented the opposition, the Civic Crusade, and imperialism from seizing power in Panama." Collado criticizes the "politicians disguised as entrepreneurs who use their businesses as trenches for political, oligarchic, and pro-imperialist actions." Collado concludes his speech by reminding workers that "the crisis has been provoked by the United States, and we must remember what Omar Torrijos said: Nobody surrenders here, dammit."

Various speakers then deliver brief messages: Jose Mari, from Puerto Rico, on behalf of the trade unions attending an event in Panama; Eva Jaen, from the Panamanian Women's Front Against Aggression; and Ruben Lezcano Guerra, from the small business sector.

After the workers sing a march called "U.S. colony, no," the station announcer says that effigies of U.S. President Ronald Reagan, U.S. Ambassador to Panama Arthur Davis, and John Maisto, U.S. Embassy deputy chief of mission, were burned by the workers at Santa Ana Park.

Commentary Hails 'Vanguard' Working Class

PA0205155188 Panama City Television Service in Spanish 1530 GMT 1 May 88

["In Depth" commentary: "Determination of the Working Class"—on the Panama Defense Forces "All for the Fatherland" program]

[Text] The Panamanian working class has been a forerunner in the integration of our national identity and in our country's struggle for its territorial integrity. It is a militant working class that has gained experience by wresting its rightful claims from management. It is a class that has never renounced its claims, despite the fact that up to 1968 its oppressors had all the resources of the oligarchic system that wielded political power and used it to enrich themselves at the expense of the working sector.

Since 1968, the working class' hardened spirit has grown and Panamanian unions today are a complete expression of a new, militant, and unyielding conscience that serves as a basic structure for social justice in our country. Today, as never before, the workers have exerted their moral leadership in resisting the aggressions of which all Panamanians have been victims. The unions were the

first to present popular resistance plans to confront the economic war that has not managed to subjugate us. The unions issued the first war cries when the threat of invasion appeared, and they called on the people to prepare to confront it. The workers' leaders, placing themselves above partisanship that is not important when the fatherland's destiny is threatened, spearheaded the opposition to strikes by business, banking, and public services as these sectors were being manipulated by groups promoting a plot against the nation.

The workers were not confused, not for one minute. They did not buy the discordant propaganda; they did not buy the lies about democratic concerns that were used to hide the slander that was to promote conditions that would attempt to cheat us of our attainments and replace them with a regime that would dominate our country in perpetuity. These groups did not find followers among the men of the workshops, much less among the peasants.

On this 1 May 1988, the determination and courage of our workers has consolidated wills and managed to coordinate all popular forces. Those popular forces, with a clear understanding of the current situation, stepped forward to call on the country to participate in a broad and constructive dialogue.

We believe in God, we profess Christian love. We value the greatness of the fatherland as the very nature of man who responds day after day to his commitment to his family and to the institution or the organization that has been favorable to his aspirations.

Amid this set of elements that make up our personality, the cry of the fatherland thrives and takes deeper root. The Panamanian working class is the vanguard of those values that are being betrayed by those who uphold a poor mercantile concept as their banner.

We send fraternal greetings to all workers from the countryside and city. We will always be next to them in the same trench resisting all aggressions on the heroic path leading to the year 2000 by destroying all ambushes placed on our upward path toward our total sovereingty.

Today, more than ever in our history, the national labor movement invigorates the fatherland's effort to avoid becoming an enslaved people.

IRHE Announces Possible Electricity Rationing

PA0205010588 Panama City LA REPUBLICA DOMINICAL in Spanish 1 May 88 p 3-A

[Announcement by the Institute of Hydraulic Resources and Electrification (IRHE)]

[Text] IRHE hereby announces to its business and industrial consumers that it is possible that the supply of electrical energy will be rationed if the scarcity of rainfall continues in the area near the Edwin Fabrega (Fortuna) Hydroelectric Dam. More information in this regard will be released through the media at a later date.

We recommend that any industries or businesses that have purchased generators check these to ensure their proper working order, to be ready for this possible contingency. They should verify the fuel supply, the battery-charge level, the electronic controls, and any other attachments.

Education Minister Announces School Dates

PA3004192688 Panama City Domestic Service in Spanish 1412 GMT 30 Apr 88

[News conference held by Education Minister Rolando Murgas Torrazza with unidentified reporters at the Education Ministry in Panama City—live]

[Excerpts] [Murgas] Good morning to all. We thank all the media representatives for their presence at this news conference. The Education Ministry, as was previously stated, wishes to announce the calendar for the school year to officially begin, and for classes to actually start. [passage omitted]

I believe that in eduction, as in other fields, we cannot lose faith to the extent that our people become desperate and that the educational inactivity of our youths with its inherent social risks leads them to absolute despair about their chances of getting an education.

The date that I am about to announce is an attempt to reconcile two schools of thought. I would add, before getting down to what we could call the nitty gritty, a last comment: The exodus of Panamanians abroad is tragic, dramatic, and painful. This is no longer just a matter of the immense economic problems... [corrects himself] or rather the immense problems that this creates for the country's economy and the family budget of Panamanians who are making great and very harsh sacrifices to send their children abroad, or a matter of the additional flight of foreign exchange that this entails, which further aggravates the country's problems in this regard, but also of the risk of denationalizing our education, the risk that this could actually become, not just an immediate temporary situation, but rather a temporary situation that could become increasingly permanent; the risk that desperation, disappointment, and frustration could lead many thousands more to believe that it is better to seek an education abroad rather than to be educated here in the country. [passage omitted]

We in the Education Ministry have decided to propose to the executive branch the following dates, with all their attendant implications: 30 May for the beginning of the official school year, with teachers reporting to their posts; 6 June, for classes to actually begin, to last for a normal school year—we have already said this—a school year that has not been altered or reduced, and that would end on 24 February. That date, although beyond the

normal closing date, in our opinion is not so different as to jeopardize the following 1989 school year. I repeat that our intention is to have a complete school year even amid hardships and sacrifices, and to guarantee and not jeopardize the quality of instruction as much as possible. [passage omitted] These dates will apply to all educational levels and sectors. [passage omitted]

[Reporter] How will the safety of children who will be going to primary schools be guaranteed, in view of the fact that the situation in the country is still critical? In addition, what guarantees exist that the students will not take to the streets to protest, since this is what some political groups expect?

[Murgas] Where the safety of students is concerned, the various school administrations should attempt to provide those guarantees. The school authorities have an immediate, very definite responsibility for safeguarding the students who have been entrusted to their care. [passage omitted]

We will try to bolster the school's ability to do this as much as possible, not necessarily from a viewpoint of repression, but in a position of vigilance with regard to the school's responsibility toward the children and youths who are studying there. [passage omitted]

As for what guarantees exist regarding whether or not the students will take to the streets and that if they do so they will be politically motivated, we believe that there must be consciousness-raising among all the country's sectors that have anything to do with education to guarantee that the school year will proceed and be completed normally. We hope to begin talks next week, within a respectful framework, with all the teacher and student associations, not with the idea of asking people to put aside their concerns or their efforts to defend the interests of their groups, and not to try to convince them to abandon or to conceal their political positions, concerns, or judgments, but to try to keep the deep-seated destructive differences that prevail in the national atmosphere from being transferred to the educational process. If we want to save the educational system, it is necessary to remove the educational process from the confrontation that is taking place in the political sphere. Therein lies the guarantees that parents can have with regard to their children's safety.

As minister, I do not believe that youths who protest, who make demands are necessarily pernicious. If there had been no student movement in this country, there would be no Panamanian flag on Ancon Hill, and we would not be on the verge of having, by virtue of certain treaties, absolute access to our main geographical resource, or be on the verge of seeing an end to the staining of our soil by foreign soldiers. [passage omitted]

We will try to be respectful toward the students and the teachers' associations, and we will try, by seeking the greatest possible understanding, to keep the students from being exploited by politicians. Above all, we will try to prevent the most dangerous thing, to prevent those who, from abroad, and in service of a foreign country, are daily calling for the destruction of this country, from leading our students into a physical confrontation while they themselves do not risk a hair on their heads. [passage omitted]

Business Executive Communique Condemns Abuses

PA3004133788 Panama City LA ESTRELLA DE PANAMAin Spanish 29 Apr 88 p 8

[Communique issued by the Panamanian Association of Business Executives in Panama City on 28 April]

[Text] The Panamanian Association of Business Executives (APEDE) expresses its strongest protest against the abuses and attacks waged continuously by the current regime against civic associations, professional and business groups, and especially against their leaders.

We are specifically referring to the raid and military occupation of the Association of Panamanian Industrialists and the Panamanian Association of Odontologists as well as the persecution and arrest of representatives of National Civic Crusade member associations, which occurred on Monday, 25 April, and Wednesday, 27 April.

We condemn this action, yet another one of the regime's violations of constitutional and citizens' rights in a long chain of attacks and abuses used as a means of forcing those pursued to relinquish their concern and efforts to clean up and reconstruct a severely abused Panama, where deterioration is on the rise and where the tyrants in power show no degree of fairness or sensibility whatsoever.

We demand that the facilities of the Panamanian Association of Industrialists and the Panamanian Association of Odontologists be returned immediately and in an undamaged condition. We hold the regime responsible for the personal safety of the Civic Crusade and business sector representatives who have been arrested and who continue suffering unjustified official persecution for unfounded accusations that only serve to show the lack of liberty experienced by a country where the government does not lose an opportunity to show disregard for its Constitution and its laws.

APEDE Board of Directors

Panama, 28 April 1988

Catholic Church Mediates Release of Prisoners

PA0305032888 Panama City ACAN in Spanish 2345 GMT 2 May 88

[Excerpt] Panama City (ACAN-EFE)—It was reported today that the Catholic Church mediated and obtained the release of 21 opposition members in Chiriqui, a western province that borders Costa Rica.

The individuals will remain under house arrest until they are summoned to the Fourth District Court, where they will be charged with "disrupting public order" and "spreading chemicals," among other charges.

These people had been detained since last Thursday in the jail of the Fourth Military Zone garrison in David, capital of Chiriqui Province, after the authorities uncovered alleged plans for violence that would be carried out by followers of the opposition Civic Crusade on 28, 29, and 30 April.

News sources said the mediation was carried out by the local bishop, Msgr Daniel Nunez.

Meanwhile, spokesmen for the Panamanian Committee for the Defense of Human Rights reported that so far the authorities have not presented any evidence to support the charges brought against these people. [passage omitted]

Argentina

Alfonsin Remarks on Return From Colombia Noted

PY292326 Buenos Aires TELAM in Spanish 2214 GMT 29 Apr 88

[Text] Buenos Aires, 29 Apr (TELAM)—President Raul Alfonsin today described as very important the progress made thus far in promoting economic complementary action between Colombia and Argentina. He noted that there are now 500 items that each country can sell to the other.

Alfonsin made these remarks at 1840 today on his arrival at Ezeiza International Airport at the end of a 2-day official visit to Colombia. Alfonsin added that he has time and again emphasized the need to integrate Latin American foreign trade and demand serious answers to the unfair treatment accorded to Latin America as far as international trade terms are concerned.

President Addresses Opening Session of Congress

PY011751 Buenos Aires Argentina Televisora Color Network in Spanish 1200 GMT 1 May 88

[Speech to the nation by President Raul Alfonsin on the occasion of the opening of Congress from the Congressional Palace in Buenos Aires on 1 May—live]

[Excerpts] Honorable Congress:

The members of this Congress undoubtedly have on their desks the message of the executive branch wherein we outline the various aspects of this administration's work in numerous fields of action. On this occasion my speech will deal with just a few items that I believe are appropriate to mention, although they are not necessarily more important than the other subjects included in the message you already have.

An effort of the Argentine people is drawing to an end, an effort whose only precedent can be found in the struggle for independence, an effort directed at carrying out the most important period of transition in the history of the country: from dictatorship to freedom, from decline to development, from privileges to justice, from dependency to recognition of the country's sovereignty, from central control to a federal system, from arbitrariness to a state of law.

We are now closing another year of government characterized by positive accomplishements and concrete achievements. We have transformed our economic, commercial, technical, and cultural market through bilateral and multilateral associations with Italy and Spain, and the agreements with Brazil and Uruguay which imply a marked progress in our quest for regional economic influence and for Latin American integration. We can mention structural reforms in the petrochemical and iron and steel sectors; the export incentives for our agricultural products; and the launching of the process of demonopolization and privatization of public enterprises through agreements that allow us to incorporate capital and new management techniques into state corporations. [passage omitted]

Thus, I come here for the 5th consecutive year to open the regular period of sessions of the two chambers. The circumstances surrounding this speech are very special from the political and social point of view and I feel deeply commited because of this. Messrs legislators, mine will be a realistic approach.

I am aware that the country is worried and restless. The year since my last speech in Congress has been fraught with tension and conflict. All of us agree today that the current model of our society can no longer fulfill our expectations and needs, and we all know that we must provide urgent solutions to pressing problems and at the same time, set in motion long-term structural reforms. This combination of tasks—reorganization and consolidation on the one hand, and amendments and changes on the other hand—has been the main objective of our administration. The large-scale policies and the strategic project aimed at overcoming backwardness are beginning to yield concrete results.

We have secured respect for human rights, freedom of expression, justice, peaceful coexistence and political pluralism. We have managed to recover peace and we are prepared to defend it firmly but in keeping with the law, against any absurd attempt to disrupt it.

All the organizations that truly represent our people today agree that freedom is the basic value of all Argentines. Disagreements and intolerance that have marked our history are massively and emphatically rejected by our people, who make up a society that acknowledges common values and principles. These achievements are irreversibly ours. They have become part of our everyday life and are a source of pride for us, a pride that is enhanced by the recognition these achievements have received worldwide. [passage omitted]

The strengthening of the federal system, a true national integration capable of ending the neglect that plagues vast portions of our territory, and of doing away with the burdensome top-heavy central system that suffocates us and distorts everything, is a deep-felt and unfulfilled aspiration of all Argentines.

This national aspiration was faithfully interpreted and echoed by this Congress when it approved Law 23512. The legislative assemblies of the Rio Negro and Buenos Aires Provinces took an equally decisive step by granting portions of their territories for the establishment of the future Argentine capital in Viedma, Carmen de Patagones.

This is not a quest for a mere administrative change; it is much more than that. This drive capable of channeling the entire descentralization policy, this desire which epitomizes a collective desire for change, is not just a

commitment stated and undertaken by the legislators; it is also a deep-felt conviction and objective of the president, who is proud of it. Although there has been no lack of people wanting to portray it as a personal obsession, ever since its wise approval by the representatives of the people, this project, this heart-felt ambition, this invitation to an epic, is now a law of the nation. [applause]

The executive branch is responsible for the enactment of this law and it is prepared to carry it out with conviction and true Argentine fervor, which means, faithfully interpreting the aspirations and needs of the people.

This enthusiasm for a project that seeks to make changes and build the future will be implemented responsibly. We do not mistake conviction for delusion, changes for illusion, serious effort for stubborness.

To leave this project for some allegedly better time is tantamount to falling prey to the resignation preached by those who do not believe that changes should be made amid difficulties and sometimes even because of these difficulties. These changes are needed to attack the very roots of backwardness.

Refusing to cast aside the illusions awakened by this project does not imply blindness to the obstacles in its way, nor does it constitute an arrogant obsession or the irresponsible management of public funds. The timetable will be adjusted to possibilities and no disbursements capable of jeopardizing the huge effort that the Argentines are making to overcome this crisis will be made.

We refuse to allow the essential to be mistaken for the superfluous. The battle that we will continue waging against public expenditures, against the inefficient state, has little to do with a project whose very objective is serving as a ram against an unfair structure, an obsolete administration, against the concentration of political and economic power.

The funds that will be allocated to enact this law will not be squandered and even though the timetable may have to be extended and the construction will not proceed at the desired pace, the will and commitment to carry out this change-seeking undertaking will be made clear. Anything else would mean surrendering to the sophists who for reasons of their own have always been prepared to do their best to keep things as they are. [applause] [passage omitted]

In addition, the rationalization and consolidation of our national defense system is a fundamental part of this modernization strategy. The recent approval of the Defense Law by this honorable Congress is one of the key steps in this respect.

In December 1987, in my role as commander in chief of the Armed Forces, I approved the most important decision regarding military policy in the past 50 years. At that time the roles of the services were outlined so that each of them could carry out their specific tasks and achieve joint, harmonious, and efficient operations between the services.

The experience obtained in the South Atlantic conflict was taken into account, as were the studies and exercises that were carried out in order to obtain a maximum integration and use of the materiel in the hands of the Armed Forces.

Within the defense sector, the Joint Staff of the Armed Forces has begun to implement a planning, programming, and budget system in order to rationalize military expenditure.

The study of the modernization of the Armed Forces has been streamlined in order to carry out their rationalization and to economize in normal functions. Up to now, very satisfactory results have been obtained.

The Argentine Army has reaffirmed the historical and institutional responsibility that is its role in a republican system. Institutional subordination to political power was clearly demonstrated during the January 1988 crisis. During that critical period, a stimulating revitalization of the ethics of San Martin was noted through the discipline, subordination, and loyalty of its members, values that permanently accompany military honor and that characterize the citizen in uniform through actions based on the absolute obedience of the Constitution's principles and the law.

Regarding the Argentine Navy, it must be pointed out that the development of the Patagonia through the naval transport system and the continuation of navigational operations in the southern area have become permanent Navy tasks, thus exercising the rights that are contained in the treaty of peace and friendship signed with Chile.

The Argentine Air Force has implemented measures to rationalize and reorganize its activities through short-, medium-, and long-term plans that are coherent with the operational needs of national defense.

In this respect, the 8th Air Force Brigade has been deactivated and the 7th Brigade has been transferred to Moreno in Buenos Aires Province.

Regarding defense production and the industries of that sector, an economic rationalization and results that will produce self-financing with a strong emphasis on sales abroad are currently being sought.

The executive branch has also ordered the sale of the shares that the state owns in eight enterprises of the sector. [passage omitted]

It is very true that the foreign debt is another formidable obstacle we are facing. The time that has gone by since the beginning of the so-called international debt situation has confirmed that our initial diagnosis, which has been expounded in all international forums, was the correct one. We were not only confronting a problem of liquidity, but also basically a very deep- rooted problem caused by profound structural reasons common in many developing countries.

Democracy inherited the very heavy burden of a debt which, due to its size, has mortgaged the future of Argentines. It has also forced us to squander formidable resources.

Other sister countries are also facing formidable foreign debt problems similar to ours, but they at least have productive investments to help offset the problem, which also permits a higher use of services.

Argentina's foreign debt is probably one of the most tragic episodes in modern economic history, because it has been a useless process that was meant to finance a distorted consumer structure, a very high fiscal imbalance, and a massive escape of capital.

This regrettable inheritance that has burdened the democratic government falls directly on the shoulders of the nation, because during the last stage of the previous government the debt was transferred mostly to the public sector.

This produced an increase in the fiscal deficit, it generated an increased amount of resources transferred abroad at the expense of productive investment, and it increased the inflationary process through the measures that had to be adopted to neutralize the imbalace in public accounts that the debt itself produces.

Since the unleashing of the international crisis pertaining to the foreign debt 6 years ago, the situation has not improved for the majority of the debtor countries, and today the prospects are not sufficiently encouraging.

The existance of an external framework that is decidedly an adverse one has impaired the effects of the enormous sacrifices of our countries. Interest rates on the international markets continue to be very high in real terms and they reflect the fiscal imbalances of the large industrial economies.

International organizations seem to believe that it is much easier to quickly reduce the fiscal deficits in our countries than it is in the world's richest countries. [applause]

Deterioration continues to exist in the trade sector. In Argentina's case it is more a question of being related to the protectionist policies of the industrialized countries than with the forces of supply and demand.

Today a solution is demanded for the foreign debt problem in which all the actors—creditor and debtor countries, international organizations, and commercial banks—must assume their corresponding responsibilities and costs.

Since it assumed power, this government has carried out negotiations tending toward a reduction of the amount of resources sent abroad. This has been achieved through new loans to pay an important part of the accrued interest. In order to obtain a real relief for our economy, we must change the course of this path through other alternatives that will provide a real reduction of the weight of the debt.

Recently a series of financial mechanisms have been created that would allow the voluntary agreement between creditors and debtors to reduce capital and the debt's interest.

Let us mention some of them: A reduction of the real interest rates to levels that are compatible with historical interest rates, agreed rebates on the debt, and conversion of the debt into capital, etc. None of these mechanisms must be ruled if they can bring relief to our countries, and it is our firm political will to attain this relief once and for all.

At the same time, the inflow of financial aid must be maintained to complement our internal efforts and to consolidate our economic growth. The international organizations should render us financial aid without imposing greater conditions. Any additional funds given us must be granted within realistic terms and costs, in keeping with our needs for growth and stability.

Our desire to modernize the country is closely connected to a lasting solution of the foreign debt problem. Today we face a real dilemma. Other experiences clearly demonstrated the high cost that unilateral solutions to the debt problem represents. It is not our intention to test all such possibilities.

Our attitude has always been one of seeking realistic and rational solutions. However, the problem has grown and become so great in the past few years that there are no more palliatives or solutions available to gain time or financing.

The best financing strategy could not bring the relief we need today as a counterpart of the effort we are all making. Our economic future must be clear so that growth and stability will not be mere common aspirations but rather certain and ever-present possibilities in our country's economic future. In order to attain these objectives the entire foreign debt problem must be solved once and for all. The various solutions have been debated in depth and their implementation can no longer be delayed. [passage omitted]

Reports on Foreign Policy

PY030035 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1734 GMT 1 May 88

[Text] Buenos Aires, 1 May (NA)—In an annex on foreign policy, attached to his opening message to Congress, President Raul Alfonsin today reiterated that the Argentine Government position on the Malvinas Islands is based on a "negotiated solution to controversies," on its "firm commitment to restore Argentina's inalienable rights," and on a "prudent attitude" to avoid incidents with Great Britain.

Alfonsin also reasserted the goal of achieving "Latin American integration." To this end, he emphitized the significance of "permanent mechanisms for political consultation and agreement" (Group of Eight), the action taken by the "Contadora Support Group" to find a peaceful solution to the Central American crisis, and the integration process now being undertaken by Argentina, Brazil, and Uruguay, a process that is "just the beginning of a wider effort that will later include the entire region."

Alfonsin also reasserted the Argentine foreign policy of rejecting "armaments and the nuclear arms race." In this regard, he cited the declarations issued in Mexico and Stockholm by the "Group of Six for Peace and Disarmament." He also emphasized the role played by the Argentine delegation at the UN Security Council, of which Argentina has been a nonpermanent member since January 1987. Argentina will conclude its term late in 1988.

Commenting on Argentina's relations with other countries, Alfonsin describes the agreements signed with EEC member countries that have strong ties with our country as "an adequate framework that provides the required stimuli for the conclusion of other agreements that will promote investment and trade."

"During this period, Argentina has particularly strengthened its ties with Brazil, Italy, Spain, and Japan, with which it concluded agreements designed to promote bilateral relations," Alfonsin's document says.

Commenting on the Argentine human rights policy, Alfonsin stated that Argentina "is today not only able to undertake initiatives but also to make them feasible." As an example, Alfonsin cited the latest session of the UN Human Rights Commission in Geneva "in which it became clear that Latin American countries can play a constructive role in solving their own conflicts."

Alfonsin was thus alluding to an Argentine-Colombian proposal that paved the way for an agreement on the controversial issue of the creation of a commission designed to probe the status of human rights in Cuba.

Regarding the Argentine dispute with Great Britain over the Malvinas Islands, Alfonsin's report outlines the actions taken by his government since early 1987, when Great Britain implemented measures establishing a provisional fishing zone.

In this respect, the report cites official communiques issued by the Argentine Government and the Foreign Ministry and the approval of resolutions by the UN Special Committee on Decolonization, by the OAS General Assembly, by the 42d UN General Assembly, and by the Nonaligned Movement.

The report describes the British military maneuvers conducted on the Malvinas Islands from 7 to 31 March this year "as a clear sign that the British Government, instead of a favoring a peaceful solution, is determined to overtly show force."

The document describes bilateral agreements signed with Brazil and Uruguay as being of "a special nature."

The reports adds: "These agreements stem from a mutual need to adjust to modern processes for achieving maximum economic development through a broad integration. This integration would increase production in the three countries and promote the establishment of a greater, more competitive economic market."

Several paragraphs of the report are devoted to "the treaty for the establishment of a special partnership" between Italy and Argentina based on "democracy as a permanent condition," and "economic and financial cooperation designed to promote industrial growth and modernization" in our country and to project "a new model of North-South cooperation to the world."

The report states that "the special agreements signed with Spain and Italy are highly significant" because "it is believed they will be instrumental in improving our exports quantitatively and qualitatively, in improving our ability to obtain new resources to help finance our economic growth, and in strengthening our ability to negotiate and repay our foreign debt."

Argentina has also sought to strengthen bilateral relations with Japan through the establisment of the Argentine-Japanese Council for Cooperation, which late in September 1987 submitted reports to President Alfonsin and to the then prime minister, Nakasone. Progress has been made since then by the two foreign ministries regarding the implementation of the recommendations included in that report.

Alfonsin's report emphasizes the "Acapulco commitment to peace, development and democracy," which was signed by the presidents of the Group of Eight, and voices hope for the outcome of the meeting slated for October or November in Uruguay.

Alfonsin's report also emphasizes "the important progress" observed in the Central American peace process since the signing of the Esquipulas II agreement (Argentina is a member of the Verification and Followup Committee) and notes that the Sapoa agreements "between the Nicaraguan Government and its armed opponents is the first step toward a solution to one of the main Central American conflicts."

Finally, the report outlines the trips made abroad by President Alfonsin and by Foreign Minister Dante Caputo as well as the bilateral and multilateral agreements signed from early 1987 to 25 April 1988.

Caputo Plans on Foreign Ministry Shuffle Viewed

PY300335 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1755 GMT 29 Apr 88

[Excerpts] Buenos Aires, 29 Apr (NA)—Speaking about the reshuffle that Foreign Minister Dante Caputo plans to implement at the Foreign Relations Ministry, an official source said "the problem is that Caputo does not know how to put together working teams." Caputo, the only minister who has remained in office throughout President Alfonsin's presidential term, which began in 1983, will complete by the end of this week the team that will assist him until the end of his term in office.

A comparison made in official circles reveals that while Caputo has always been assisted by just three or four "close aides," his colleague, Economy Minister Juan Sourrouille, "has more than 30 assistants."

The decision to implement perestroyka, a Russian word that means reorganization, at the Foreign Ministry was made after an analysis of the visit paid by high-ranking U.S. State Department officials in charge of Latin American affairs to Buenos Aires 2 weeks ago.

During Caputo's absence, Deputy Foreign Minister Susana Ruiz Cerutti, who graduated from the School for Career Diplomats with a gold medal, had to deal with men like General Vernon Walters, retired, and realized that she was having problems because she does not have much access to Alfonsin and the Radical Civic Union (UCR).

In the last few days, the UCR "bosses" have been pressing to have Defense Secretary Raul Alconada Sempe return to the Foreign Ministry, and they succeeded because Alconada Sempe will be sworn in as new secretary for special affairs next week. Because of his political clout, this appointment will make Alconada Sempe a virtual deputy foreign minster, regardless of what the ministry's organizational chart may show. [passage omitted]

Alconada Sempe, former under secretary for Latin American affairs, will practically control the Foreign Ministry beginning in August 1988, when Caputo will devote himself to seeking an appointment as chairman of this year's UN General Assembly. If Caputo obtains this appointment, he will be forced to remain in New York until the end of the year. [passage omitted]

Gauna To Replace Alconada Sempe at Defense

PY291543 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1126 GMT 29 Apr 88

[Excerpts] Buenos Aires, 29 Apr (NA)—Interior Secretary Juan Octavio Gauna will replace Defense Secretary Raul Alconada Sempe, who will return to the Foreign Ministry at the request of Foreign Minister Dante Caputo.

Gauna, who first rejected the offer, last night agreed to join the Defense Ministry, where he will become Minister Horacio Jaunarena's closest assistant. The level of his responsibilities will be similar to that of his post at the Interior Ministry.

With Gauna's decision, the second most important position has been filled in the team headed by Minister Horacio Jaunarena. This position has been vacant since the return of Alconada Sempe to the Foreign Ministry was officially announced. [passage omitted]

Defense Under Secretary Enrique de la Guardia, who is considered closely linked to former Argentine Ambassador to the United States Lucio Garcia del Solar, will also return to the Foreign Ministry. He will be replaced by a Defense Ministry official who, like Alconada Sempe, is closely linked to the Buenos Aires Province UCR Coordinating Board.

Air Force Chief of Staff Leaves for U.S.

PY291551 Buenos Aires TELAM in Spanish 1249 GMT 29 Apr 88

[Text] Buenos Aires, 29 Apr (TELAM)—Air Force Chief of Staff Major General Ernesto Crespo this morning left for the United States, where he will participate in the 28th conference of Air Force commanders of the Americas, which will take place from 2-10 May in San Antonio, Texas.

According to the Air Force press secretariat, Crespo, who left on board the Tango T10 from the military sector of the Jorge Newbery airport, was accompanied by Brigadier Juan Manuel Correa Cuenca, planning officer of the Armed Forces General Staff, who will act as adviser.

Crespo was seen off by the Air Force materiel comander, Brigadier Jorge Ricardo Ruiz; Operations Commander Brigadier Jose Antonio Julia; and Training Commander Brigadier Hector Destri.

Requested Release of Minister, General Rejected

PY290401 Buenos Aires Domestic Service in Spanish 0200 GMT 29 Apr 88

[Excerpt] The request for release on bail submitted on behalf of Jose Alfredo Martinez de Hoz and General Albano Eduardo Harguindeguy has been rejected.

Martinez de Hoz, former economy minister under the military dictatorship, has been held since yesterday in the 22d Detention Center in this capital. General Harguindeguy had to be taken by ambulance to the Central Military Hospital because he was suffering from hypertension. [passage omitted]

Construction of Nuclear Plants To Continue

PY030303 Buenos Aires DYN in Spanish 1450 GMT 1 May 88

[Excerpt] Buenos Aires, 1 May (DYN)— The government will maintain the pace of nuclear plant construction "within the limitations imposed by credits that may be assigned for them" and "will increase the export capacity of nuclear technology," in accordance with the provisions of the CNEA budget for 1988.

Moreover, the government intends "to guarantee the production of nuclear electrical energy" and to seek "the consolidation of basic materials that will guarantee technological development and self-sufficiency in the nuclear sector."

This report is taken from the annex entitled "National Atomic Energy Commission," submitted to Congress by the executive branch at the opening of the new period of regular sessions.

The annex adds that "some developments have been achieved in the production of basic materials, as proven by the first shipment of enriched uranium produced in Pilcaniyeu."

"In the fields of research and development, it is appropriate to mention the production of high-temperature ceramic superconductors. This was developed at the Balseiro Institute almost simultaneously with the great international centers," it has been reported.

It has also been reported that "the CNEA regularly keeps producing energy for the international interconnected system by means of two nuclear plants that represent 12 percent of the installed capacity, thus contributing with up to 20 percent of the energy consumed by that system."

This report contradicts the one supplied by the CNEA in the last few weeks, during which the serious energy crisis the country has been suffering has been aggravated by the shutdown of the Atucha I plant and lower than normal production at the Embalse Rio Tercero Plant.

According to CNEA, "55 percent of Atucha II has been completed," while 90 percent of the Arroyito heavy-water plant has been completed. [passage omitted]

Brazil

Cuban Vice President Visits; To Meet Sarney

PY281300 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 28 Apr 88

[Text] Cuban Vice President Carlos Rafael Rodriguez will arrive in Brasilia today. Rodriguez will meet with President Sarney and later will visit the National Congress to meet with Deputy Ulysses Guimaraes.

On 29 April, Rodriguez will visit Itamaraty to sign an agreement creating a joint cultural commission between the two countries.

Attends Signing of Accord

PY300409 Madrid EFE in Spanish 2059 GMT 30 Apr 88

[Text] Brasilia, 29 Apr (EFE)—The Brazilian Government today signed a cultural and educational agreement with Cuba, but stipulated that the students to be exchanged should be post-graduates and not high school students, as Cuba had proposed.

This agreement is the first signed since the two countries reestablished diplomatic relations 2 years ago.

Cuban Vice President Carlos Rafael Rodriguez attended the signing of the agreement, which provides for an exchange of university graduates. The agreement was signed by Brazilian Deputy Foreign Minister Paulo Tarso Flecha de Lima and Cuban Ambassador in Brazil Jorge Bolanos.

According to the local press, Cuba proposed to exchange high school students, but the Brazilian Government, fearful of the Marxist influence to which the youths may be subjected, rejected the proposal.

The agreement also provides for the exchange of professors, writers, composers, painters, theater and movie directors, and athletes.

The Cuban vice president, who yesterday arrived in Brasilia after participating in the ECLA meeting in Rio de Janeiro, expressed his satisfaction at the results of 2 years of diplomatic relations between the two countries.

Rodriguez evaluated the political visits by officials of the two countries and indicated that the official invitations for President Jose Sarney and Cuban leader Fidel Castro to visit Havana and Brasilia, respectively, were still pending.

Rodriguez pointed out: "The visits will take place in the future. What is happening is that Brazil is drafting a new Constitution, and we also have many things to do, but the visits will take place."

Rodriguez pointed out the problems the two countries have in reaching trade agreements "because we export similar products, but we could have complementary economies."

Rodriguez also referred to the possibility of cooperation in the electronic components, biotechnology, and pharmaceutical industries.

Regarding the recent ECLA meeting, Rodriguez said the recommendations of that organization should be put into practice, especially with regard to structural changes and the need to struggle for a new international economic order as proposed in 1974.

Rodriguez said: "Latin America is reorganizing its forces as proven by the Acapulco Conference and the answer given to the Panamanian problem. Not only should we hope to get a new international economic order; we should begin by intensifying our trade with the countries of the South."

On 2 May Rodriguez will attend a seminar on the "Latin American Foreign Debt" organized by the "Third World Foundation" at the University of Brasilia.

Discusses Policy Issues

PY020145 Madrid EFE in Spanish 1900 GMT 1 May 88

[Text] Rio de Janeiro, 1 May (EFE)—Cuban Vice President Carlos Rafael Rodriguez today said he favors holding direct elections for president in Cuba, although this is an unimportant issue in his country because no one could imagine any other candidate than Fidel Castro.

In an interview published by the newspaper JORNAL DO BRASIL, Rodriguez, 75, one of the main ideologues of the Cuban revolution, acknowledged that some changes are taking place in his country but they are not radical and cannot be compared with the Soviet "perestroyka."

The Cuban vice president came to Brazil to attend to the 40th anniversary of ECLA, a UN organization. At the ECLA meeting he defended Latin American unity and "the need to face the imperialistic interests of the United States together."

This is the first visit of a high-ranking Cuban Government official since Brazil and Cuba resumed diplomatic relations 2 years ago.

Rodriguez said that relations between Latin America and the United States "demand a policy of defense of sovereignty in the countries of the region." However, he explained that he did not "mean to establish a confrontation" with the United States but rather "a mechanism of defense."

He said: "We Cubans are not anti-American," and in order to renew diplomatic and economic ties with the United States, Cuba demands respect for its national sovereignty and the elimination of the economic blockade.

He said the intention of "Ronald Reagan's government to subdue Latin America by pressure and brutality is over," and the new foreign policy of the U.S. President involving talks with the Soviets to eliminate medium-range missiles "reflects the failure of his administration."

Rodriguez recalled that the United States is one of the largest debtors of the world, "with unemployment and inflation, which demonstrates that capitalism is in frank decadence, and sooner or later it will have to yield to socialism."

He added that Cuba is exporting several millions of dollars worth of electronic components to the USSR and the GDR, and it is likewise developing biotechnology for the agriculture, livestock, and pharmaceutical sectors.

Rodriguez met this morning with Brazilian President Jose Sarney, and tomorrow, 2 May, he will participate in a forum on foreign debt that will take place in Brasilia.

Sarney Pressed To Reduce Cuts to Budget

PY301548 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Apr 88 p 19

[Text] Brasilia—The government has decided to give up its efforts to reduce some expenses in its 1988 budget. This decision is the result of intense pressure exerted by some ministers, particularly those connected with the social sector. The cuts, which initially should amount to some 936 billion cruzados—1.3 percent of the GDP—were reduced to 720 billion—1 percent of the GDP—and yesterday, they were reduced to 650 billion—0.9 percent of the GDP.

The government decision to reduce cuts in this year's budget was made by President Sarney during a meeting with Planning Minister Joao Baptista de Abreu.

Military Officers' Reaction [subhead]

EMFA [Armed Forces General Staff] chief Brigadier Paulo Camarinha did not hide his displeasure with the government attempt to reduce public expenses, and asked with surprise: "Reduce what? If there is no money,

there is nothing to reduce," Aeronautics Minister Brigadier Moreira Lima explained: "The cuts will be made in the area of investments, and new projects."

Brigadier Camarinha acknowledged that he has no intention of making cuts in the priority areas of his program, including the rocket-launching base in Alcantara (Maranhao State), which will receive 2.6 billion cruzados. The aeronautics minister (the Air Force was assigned 118 billion cruzados in the budget) was emphatic: "Our main project, the AMX (subsonic plane to be built in a joint venture with Italy) runs no risk. So far, this project has cost only the 3.5 billion cruzados budgeted for it. We now expect an allocation of 15 billion cruzados so we can honor our international obligations and carry out the planned program."

Finance Minister Cancels $109-Million Loan

PY301818 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 30 Apr 88

[Text] Finance Minister Mailson da Nobrega in Washington has cancelled a $109-million loan granted by the World Bank.

This was done because the terms of the loan require the hiring of new public servants by the Federal Government.

The money was earmarked for the Health Ministry.

In Brasilia, acting Health Minister Francisco Bedushi explained that the contract will be amended so that new public servants will be hired by state and district governments instead of by the Federal Government.

Conversion Auction Reduces Foreign Debt

PY301729 Rio de Janeiro O GLOBO in Portuguese 29 Apr 88 p 23

[Text] Sao Paulo—The 32-percent depreciation rate [taxa de desagio] for the regions without incentives and the 15-percent depreciation rate for the regions with incentives, which were agreed upon during the second auction for conversion of the debt into risk capital at the Sao Paulo stock market yesterday, has allowed Brazil to reduce its foreign debt by more than $198.53 million (CZ$ 28.8 billion). The Brazilian Government has already reduced its debt by $385.06 milion (CZ$ 52.36 billion) because the auction held at the Rio de Janeiro stock market at the end of March yielded a reduction of $186.53 milion (CZ$ 25.36 billion).

Central Bank external accounts department director Arnim Lore has said that yesterday's auction was a success because the depreciation rate was considerably higher than the rate at the Rio de Janeiro auction. The net amount of converted capital was $150 million (CZ$ 20.40 billion).

The total amount yielded by the auction for the regions without incentives was $110.29 million (CZ$ 14.99 billion), and the benefit obtained by the Central Bank with the depreciation rate was $35.92 million (CZ$4.88 billion), because the net amount offered was $75 million (CZ$ 10.20 billion).

Of the $75 milion (CZ$ 10.20 billion) offered for the regions without incentives, conversion proposals were received for $72 million (CZ$ 9.79 billion) with a 32-percent discount rate. This result surpassed the expectations of Bovespa [Sao Paulo Stock Exchange] President Eduardo Rocha Azevedo, who estimated that at best a 30 percent rate could be obtained. The remaining $3 million (CZ$ 408 million) obtained a 31.5 percent depreciation rate. The main deal was closed by the broker FNC [expansion unknown] of Citibank. The deal amounted to $42.5 million (CZ$ 5.7 billion), which accounts for 56.6 percent of the total converted amount. FNC also closed the main deal in the region with incentives: $34 million (CZ$ 4.5 billion).

Assembly Approves Resource Nationalization

PY021259 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Apr 88 p 5

[Excerpts] Brasilia—The Constituent Assembly plenum yesterday approved the nationalization of all potential sources of hydroelectric energy, as well as nationalizing of all prospecting for mineral resources. The amendment, which was drafted by Senator Maercio Lacerda (PMDB, Mato Grosso State), was approved by 347 votes in favor and 126 against, with 17 abstentions. [passage omitted]

During Maercio Lacerda's presentation of the amendment, Deputy Luis Salomao (Rio de Janeiro State)—who is the PDT [Democratic Workers Party] acting chairman—explained that the Brazilian companies with foreign capital now operating in the country will be given 5 years from the promulgation of the new constitution to nationalize their capital. [passage omitted]

Shipping Industry Protected

PY021523 Rio de Janeiro O GLOBO in Portuguese 30 Apr 88 p 3

[Excerpts] Brasilia—The Constituent Assembly yesterday vetoed new risk contracts by rejecting the amendment of Deputy Theodoro Mendes (PMDB, Sao Paulo State) by 232 votes against and 72 votes in favor, with 14 abstentions. The amendment requested that exceptions be made to the state monopoly over oil and natural gas, in favor of national companies that obtain permits from Congress. The contracts currently in force will be included in the temporary provisions of the new constitution. [passage omitted]

During yesterday's session, the group of amendments that establishes that Brazilian ships will have priority when it comes to sea transportation, and that there must

be international reciprocity, was approved by 321 votes in favor and 2 against, with 7 abstentions. Another group of amendments, which was approved by 336 votes in favor and 19 against, with 16 abstentions, establishes that only Brazilian ships can be used for coastal navigation, except when public necessity calls for the use of foreign ships. This amendment is aimed at stimulating the Brazilian maritime industry and saving some $1.5 billion (206 billion cruzados) paid in freight every year to ships that navigate along the Brazilian coast.

Deputy Mauro Campos (PMDB, Minas Gerais State), who is a shipowner himself, believes the approval of this amendment will stimulate the drafting of a more effective maritime policy. The present policy is so inadequate, he said, that Brazil's current fleet is smaller than it was in 1969. [passage omitted]

Moreira Lima on Military's Position of Neutrality

PY290331 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Apr 88 p 4

[Text] Brasilia—Aeronautics Minister Brigadier Octavio Moreira Lima yesterday confirmed the military chief's position of neutrality regarding the voting of the Economic Order by the Constituent Assembly. He said: "What we want on this matter is only an agreement among the different sectors to obtain a document that will protect national sovereignty and ensure that our national wealth remain under national control."

Regarding the exploitation of minerals, the minister does not want any "privileges to be granted to any particular group." He sid that he sees no problem regarding the participation of multinational companies in this sector, "provided that the government maintains control."

Brig Moreira Lima and Armed Forces Chief of Staff Paulo Roberto Camarinha were visited by the Nationalist Congressional Front. The front also provided the military men with a document. No assessment of the letter was given, nor did they say whether they supported the Centrist Bloc or the Systematization Commission. On the contrary, the Aeronautics minister said yesterday that, because it is a complex matter involving subjects not included in the field of specialization of the military, the most prudent position was to support an agreement.

The Nationalist Congressional Front has not made any contacts with Army or Navy Ministers Leonidas Pires and Henrique Saboia. These two ministers also prefer an intermediate solution between the proposals submitted by the Centrist Bloc and the Systematization Commission. "Neither 8 nor 80," an officer said suggesting that the two texts of the proposals were too radical. Other officers have revealed that the military ministers, on adopting a neutral position, did not want to be held responsible in the future should the adopted economic model fail to yield the expected results.

Navy Minister on Armed Forces Role, Elections

PY291848 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Apr 88 p 5

[By Jose Newmanne Pinto]

[Text] "The Armed Forces would have no other alternative but to intervene if there are serious public disorders. This is not because they want to do so—they do not. The Armed Forces are increasingly interested in the consolidation of the democratic process, because it serves their own interest, among other reasons. A military intervention would be very bad business for the military because during the 20 years of military rule, between 1965 and 1985, the Armed Forces budget fell by 50 percent in real value."

These words were spoken in a calm and moderate tone by one of the most respected military commanders of the New Republic, Navy Minister Admiral Henrique Saboia. His words did not sound like a threat. They were extracted from a long discussion on the current political situation and the Brazilian crisis. Saboia stressed that "the Armed Forces have an unquestionable responsibility regarding internal security and could not remain indifferent before a process of disorder or social unrest." Saboia, however, emphasized that he does not think this will happen. The issue was raised when he argued that as a military minister, he has never pressured politicians to vote for the presidential system of government or the 5-year term in the Constituent Assembly.

Saboia proved to be a master in the art of repartee. He used strong and emphatic arguments to explain his meeting with politicians the day before Super Tuesday [reference to U.S. primaries] when the Constituent Assembly decided by a large margin to maintain the presidential system of government and to cut the presidential term by 1 year [from 6 to 5 years].

"During this meeting I stressed that it was technically and (legally) impossible to hold direct presidential elections this year. I even asked my advisers, in an attempt to reinforce the argument, to check on the number of legal issues that must be resolved by Congress before the election can be held. At the same time, congressmen are involved in the long process of writing a new constitution. Unfortunately, I do not have the figure yet, but I assure you there is much legislation to be approved for that purpose. I asked: How could these laws be approved by a Congress that is fully involved in an election campaign?" Saboia said.

As an example the Navy minister pointed out the difficulties the Constituent Assembly is having in approving regulations, implementing the municipal elections, which under the old Constitution must be held this year. "You know that municipal elections do not attract even 1 percent of the attention or interest that presidential elections do. Yet, you see all the trouble legislators are having approving regulations for them," Saboia said. He

then asked: "How can you have presidential compaigns without strict regulations regarding campaign propaganda when the country is in crisis?" The Navy minister admitted the possibility of a military intervention if there are serious disorders. "In a situation like this we do not have many alternatives if we are going to fulfill our reponsibilities," he said.

Saboia said that this argument was never intended to be a threat of a possible coup if the Constituent Assembly approved the parliamentary system of government and the 4-year term. "It has nothing to do with the definition of Prfesident Sarney's term. We are just being realistic in view of the near impossibility of holding direct presidential elections this year without a definition of the necessary legal order," Saboia said. He admitted his lack of authority to decide between the presidential or parliamentary system of government, but recalled that he emphasized to the Constituent Assembly that three basic premises are needed for a parliamentary system of government to work: strong political parties, professional public servants, and voting by districts.

The Navy minister said that only the Armed Forces and the Foreign Ministry in the Federal Government have career and professional staff qualified to participate in a parliamentary system of goverment. Admiral Saboia regretted the Constituent Assembly's approval of "so many citizens' rights and so few citizens' duties." He admitted that there are still many adjustments to be made to consolidate democracy in Brazil, and added: "Society's reservations regarding the role of the Armed Forces will only disappear when our democracy is fully consolidated and working. With a stronger democratic system in place there are fewer possibilities for military intervention. We, the members of the Armed Forces, will be more satisfied with this because we will return to our professional duties."

Saboia was optimistic on this point. "It is already a real miracle that we have gotten this far, with tolerance and without greater problems. Democracy is a system that demands much tolerance and understanding of the other fellow's opinion, and it is difficult to practice. There are a lot of people betting that 'things will get better if they get worse.' But it has become increasingly clear that they represent only a small minority. The majority of Brazilian society, as well as the Armed Forces, are interested in consolidating this democracy, which did not come out of a magician's hat, but was won step by step," Saboia concluded.

Software Regulation Awaits Signing

PY301517 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 28 Apr 88 p 33

[Text] A decree to implement the Law on Software has been signed by Science and Technology Minister Luiz Henrique da Silveira and delivered to the Civilian Cabinet Office. There it awaits the signature of President Jose Sarney. Article 7 of this decree provides that all software must be registered with the Special Secretariat for Information Science (SEI) before it can be sold in the country.

All foreign-made software will be registered only after it has undergone examination to determine if there is any domestic-made software similar to it. The criteria for functional equivalence are specified in technical language in Article 3. These criteria range from storage capacity and processing speed to the user's ability to operate the software in question.

The regulatory decree contains 40 articles divided into 9 chapters. It establishes that the SEI will make the decision to allow importation of a single copy of foreign-made software for the exclusive use of the final user within 30 days, counted from the date a request is submitted. This agency will limit itself to verifying the legal requirements and the nonexistence of similar software, whether national or foreign, in the country. Such unique software need not be registered with SEI.

As provided by Article 8, software will have to be registered with the national Copyright Council, which is part of the Culture Ministry. According to Chapter III [Roman numeral], Article 3, software will be registered in six different categories:

1) Developed in the country by persons born or residing in the country or by a national enterprise;

2) Developed through cooperation between national and foreign enterprises under an SEI-approved project;

3) Developed by a foreign enterprise with technology and marketing rights transferred to a national enterprise under an appropriate contract registered with INPI (National Industrial Property Institute), an agency subordinate to the Industry and Commerce Ministry;

4) Developed in the country by a foreign enterprise;

5) Developed by a foreign enterprise with marketing rights in the country granted to a national enterprise;

6) Software that does not fit the previous five categories.

Article 22 states that the SEI will publish requests for registration within 15 days after they are officially received by the SEI. Any interested party has 30 days after such publication to report the existence of similar software developed in the country by national enterprises. To help determine similarities of software, SEI can create working groups made up of representatives of the sector.

According to Article 25, Chapter IV [Roman numeral] the SEI will approve acts or contracts granting license or marketing rights for software developed by national [as published] enterprises only if there is no similar software developed in the country by a national enterprise previously registered with SEI.

Chile

Pinochet May Day Address to Workers in Iquique

PY022230 Santiago Television Nacional de Chile Network in Spanish 1722 GMT 1 May 88

[Labor Day address by President Augusto Pinochet to workers at the House of the Sportsman in Iquique—live]

[Excerpts] Madam president of the National Voluntary Ladies Organization, Messrs ministers of state, national, regional, and provincial authorities, military men and civilians, Messrs union leaders, Mesar ILO representative in Chile, Chileans, and Chilean workers:

Once again I wanted to participate in this ceremony in which the Chilean workers celebrate the national labor festival. On this occasion I accepted the very cordial invitation that was especially extended to me by the workers and active organizations in the country's First Region when I made a visit to this region on another occasion.

On this very significant day for Chilean workers, I send, from this port of Iquique—for which I have much affection—[applause] my most cordial greetings to all those who are structuring a better future for Chile and her sons.

Today is a day of celebration. Workers and their families, employers, union leaders, and the authorities are today united by a true spirit of camaraderie to celebrate another 1 May.

We are celebrating it fraternally, without hate, without a desire for revenge, and without preaching in favor of the class struggle. [applause] [passage omitted]

I do not deceive the workers, whom I consider to be my friends, nor do I give them false illusions. [applause] Within this style of seriousness and reality I am pleased to announce that I have submitted to the Honorable Government Junta a bill for a general salary increase for the public sector to take effect on 1 June. [applause] There will be a 15 percent increase for the lower grades and 10 percent for the higher grades. [applause] [passage omitted]

Today, with determination I invite you to continue along the path we have taken, in order for the verdict of the plebiscite to be valid, it will have to fully respect the permanent articles of the Constitution, which will lead us to a real and participative democracy in political as well as social aspects.

This verdict will depend on following a path of progress, but always with the belief that it will provide stability to each and every Chilean, and a very real projection of what are freedom, equality, options, and opportunities.

But this demands the decision of all of you and of all of us. [applause] Therefore, my very dear friends, I invite you to assume that responsibility with the awareness that we are surely marching along the correct path, a path that we outlined in 1980 when our Constitution was approved by a great majority.

The president sees you as citizens, free to choose. The present belongs to all of us, but the future belongs to our children and we must give them freedom, equality, and an even better destiny. [applause] A destiny full of possibilities and reality. Let our children look to the future with their eyes open and with hope and faith, because Chile belongs to the kids, and the fatherland merits it. Thank you very much. [applause]

'Sources' Say Plebiscite in June 1988

PY291828 Santiago Domestic Service in Spanish 1759 GMT 29 Apr 88

[Excerpt] We will now read a report transmitted by UPI from Santiago a few minutes ago: Santiago—High-ranking government sources today commented on a statement by civic and patriotic organization leader Manuel Contreras Loyola, who after meeting with President Pinochet, said that the president had told him that the plebiscite might be held at the end of September. The sources, however, said that the plebiscite could be held in June 1988. [passage omitted]

Peace Caravan Stopped From Entering Country

PY020159 Buenos Aires DYN in Spanish 0118 GMT 1 May 88

[Text] Santiago, 30 Apr (AFP)—Leaders of political, humanitarian, and union organizations from Argentina, Peru, and other countries were today prevented from entering Chile, where a caravan for peace and human rights was to have concluded. This fact was reported in Santiago by the organizing committee.

A group of 80 leaders, who were traveling in cars from Peru, was intercepted by police at the border in Arica, 1,650 km north of Santiago. The group then returned to the Peruvian city of Tacna, according to the committee.

The committee also reported that a group of 32 people traveling from Argentina was not authorized to cross at Los Libertadores border pass, located in the Andean mountains, 100 km east of Santiago. Tonight this group has remained in the neighborhood of Punta de Vacas, Argentina.

Chilean authorities have still not released an official report.

The organizing committee had hoped to receive the caravan in Santiago. The caravan includes members of the Writers Association of Chile, the Group of Relatives of Political Prisoners, and other institutions that continually denounce General Augusto Pinochet's government for violations.

'Extremists' Disturb CNT-Sponsored Rally

PY021732 Santiago Domestic Service in Spanish 1030 GMT 2 May 88

[Text] A rally sponsored by the CNT [National Workers Command] to mark Labor Day did not end quietly.

Some 50 extremists and professional agitators, from 14 to 20 years old and wearing masks, tried to set bonfires at bus stop No 1 on Jose M. Carrera Avenue, but were dispersed by police.

[CNT President] Manuel Bustos, the rally's main speaker, told politicians in attendance, including Ricardo Lagos, that the rally was being held to mark a workers celebration and not a political celebration.

Nevertheless, there were plenty of MIR [Revolutionary Movement of the Left], PS [Chilean Socialist Party], and FPMR [Manuel Rodriguez Patriotic Front] banners, which were rejected by apolitical workers who criticized their presence, claiming they were tarnishing the workers' rally.

There were even some fist fights, which forced the extremists to move toward Jose M. Carrera Avenue, some 500 meters from the main rostrum located at the intersection of Ferrocarril and San Ignacio Streets.

Manuel Bustos spoke, following some propagandistic artistic presentations and the greetings of Spanish and Italian Marxist leaders. Despite what he had told the politicians present, Bustos could not avoid addressing political issues in his speech, and even went so far as to personally offend the president of the Republic. When he concentrated on political rather than labor issues, hundreds of workers, disappointed by the attitude of the Christian Democratic-Marxist leader, left the rally.

At the conclusion of the rally, FPMR extremists and some ultraradicals of the Ramona Parra Brigade of the proscribed PCCh went to the intersection of Jose M. Carrera and Milan Avenues to set bonfires and cause damage. They were reproached by the workers leaving the rally. The workers were called fascists by the extremists for not approving or cooperating in the destruction of private and public property.

Another group of no more than 200 PS people tried to stage a march into downtown Santiago on San Diego Street. The group was quickly dispersed by police.

One hour after the incidents, at about 1400, the situation returned to normal and buses again operated in this sector, where houses and stores were seriously damaged by graffiti painted on their walls, as usually happens in this type of demonstration.

However, at the end of the rally, there was another violent demonstration by militants of the proscribed MIR. The militants of this political group, which has joined the so-called United Left organization, have not dropped their bullying methods and, despite the fact they were booed during the rally, decided to engage in vandalism.

After MIR militants tried to seize the rostrum and the broadcasting equipment, a group of 10 to 12 hooded people also tried to seize them by kicking and beating people with their fists.

Police sources reported that following the incidents during and after the CNT-sponsored rally, a total of 23 people were detained at the intersection of Jose M. Carrera Avenue and Silva Vildosola Street. It was reported that these detainees would be placed at the disposal of the local lower court for disrupting public order. It was not confirmed, however, whether any of the detainees would be charged with crimes punishable by the military courts, such as stoning police vehicles, an action that was observed at the beginning of the rally.

Barros Lucotrudeau Hospital sources have reported that three people apparently injured during the incidents on Jose M. Carrara Avenue, were hospitalized. One of them could be Nelson Baraona, a 16-year-old youth who was wounded in the chest and collapsed at the rally.

More on Disturbances

PY021940 Santiago Domestic Service in Spanish 1700 GMT 2 May 88

[By reporter Mario Reyne]

[Excerpts] Following is a report on the incidents that occurred yesterday.

The Carabineros have reported that a total of 47 people were detained in the metropolitan region during the incidents that occurred yesterday following a rally sponsored by the National Workers Command in San Miguel district.

Police sources have reported that 15 of the 47 detainees have been placed at the disposal of the Interior Ministry today for violating the law on internal state security and that the other 32 detainees have been placed at the disposal of the local lower court for disrupting public order. [passage omitted]

Police reports also indicated that last night at 2350 an ENDESA [National Electric Power, Inc.] high-voltage tower was bombed by terrorists. The tower is located near km 65 on the road linking Melipilla with Rapel and is part of the Rapel-Cerro Navia powerline network. [passage omitted]

Opposition Incidents Reported in Iquique

PY020004 Buenos Aires TELAM in Spanish 2256 GMT 1 May 88

[Text] Iquique, Chile, 1 May (TELAM-ANSA)—Two people were injured and 12 others were detained today as a result of the police repression that prevented more than 500 opposition members from carrying out a labor march and rally in this city at the same time as the official sector celebrated 1 May.

More than 1,000 people participated in a mass held at Iquique cathedral. During the mass, Bishop Javier Prado demanded that working conditions be made more humane, and that justice prevail where salaries are concerned in accordance with the church's social doctrine.

At the conclusion of the mass, the participants marched toward the Teachers Association headquarters and toward a monolith that commemorates the massacre of salt miners in 1907.

Police, many from neighboring cities, blocked the march to prevent the group from nearing the house of the athlete who was hosting the official ceremony headed by General Pinochet.

Antiriot police launched tear gas bombs and locked the opposition demonstrators in the Teachers Association building. The tear gas bombs broke some of the building's windows.

Similar incidents occurred in the neighborhood of the monolith and the market. Neither the traditional wreath-laying ceremony honoring those who fell in 1907 nor the opposition labor rally could be carried out.

Police Arrest PDC Youths for 'Inciting' No Vote

PY020150 Buenos Aires DYN in Spanish 1234 GMT 1 May 88

[Text] Santiago, 1 May (AFP)— The Christian Democratic Party [PDC] has reported that Chilean police arrested in Santiago yesterday 14 youths, PDC activists, as they were distributing pamphlets inciting the citizens to vote against General Augusto Pinochet's regime in the upcoming plebiscite.

The youths were inciting Chileans to cast a no vote in the popular consultation scheduled for the end of the year when the military commanders will propose a candidate for president until 1997, which could be Pinochet himself.

PDC leaders reported that the arrested youths, 10 boys and 4 girls were taken to a Carabineros station where they remain at the disposal of the Interior Ministry.

Carabineros Arrest Three 'Terrorists'

PY021736 Santiago Domestic Service in Spanish 1030 GMT 2 May 88

[Excerpt] Three terrorists, two belonging to the MIR [Revolutionary Movement of the Left] and one to the Manuel Rodriguez Patriotic Front, have been detained by Carabineros personnel and placed at the disposal of the military courts.

The three terrorists have confessed to a large number of attacks against stores and buses.

The terrorists have been identified as Sergio Esteban Genova Sualto, 20; Ivan Munoz Contreras, 25; and Marco Aurelio Villanueva Ginez, 22.

These criminals have perpetrated a number of terrorist attacks, placing bombs in government offices, buses, and stores. [passage omitted]

Carabinero Officer Dies in Attack in Santiago

PY291905 Santiago Domestic Service in Spanish 1700 GMT 29 Apr 88

[Excerpt] The Carabineros have released a communique in the wake of an attack in which another martyr has died. The communique, which describes the action, was read by Carabineros Major Luis Retamal.

[Begin Retamal recording] In connection with a new attack staged against Carabineros personnel this morning, the Carabineros metropolitan command hereby informs the public that:

1) At 0815, while police car Z341 of the 30th police Radio Patrol was fulfilling its usual surveillance mission in the Renca neighborhood, two suspects were spotted at the corner of Arturo Prat and Errazuriz Streets. When asked to identify themselves, one of the individuals unexpectedly drew a firearm from a bag and shot at the Carabineros officers.

2) As a result of this cold blooded attack, Second Sergeant Juan de Dios Hormazabal Nunez was killed instantly. The Carabinero who accompanied Hormazabal repelled the criminals with his gun. He was not injured, and the criminals fled. [end recording] [passage omitted]

Colombia

President Alfonsin Continues State Visit

Trade Agreement Signed

PA2904163188 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 29 Apr 88

[Text] For the first time in many years, Colombians and Argentines are signing agreements that have to do with things other than the exchange of football players or tango singers. Presidents Virgilio Barco and Raul Alfonsin of Colombia and Argentina, respectively, have signed a bilateral trade agreement that eliminates customs duties on some 1,000 items produced by the two countries.

Argentina, which is a nuclear energy power, will provide technical assistance to Colombia in the peaceful use of uranium, the basic material used to produce that type of energy in Santander and Caldas Departments. The two nations also pledged to carry out a cooperative program in the oil industry sector.

[Begin Alfonsin recording] Today we have signed documents that are in no way rhetorical—they are specific. [end recording]

Although Colombia's drug trafficking problem is different from that of Argentina, the two presidents also signed an agreement to control that crime.

[Begin Barco recording] Drug trafficking is a crime that cannot be fought by conventional measures simply because it is not carried out by conventional organizations or methods. [end recording]

TELAM Reportage

PY300047 Buenos Aires TELAM in Spanish 0147 GMT 29 Apr 88

[By special correspondent]

[Text] Bogota, 28 Apr (TELAM)—Today Raul Alfonsin and Virgilio Barco, the presidents of Argentina and Colombia, respectively, agreed that integration is the only path for Latin American development. They also reaffirmed the role of the Group of Eight in strengthening the stability and unity of the continent's democracies.

The two presidents spoke after signing the Act of Argentine-Colombian Integration at Narino Palace, which is government headquarters. They also signed documents related to economic complementation, science and technology, the production of uranium, and other issues.

Before the ceremony, a communique was released in which the two presidents called on the Paraguayan Government to grant safe-conducts to the people who have taken asylum in the Argentine and Colombian Embassies in Asuncion.

In addition to the integration act signed by the two presidents, the foreign ministers of the two countries and other officials signed an agreement on economic complementation and scientific-technical cooperation, a protocol on cooperation in uranium mining, and a cooperation agreement on the prevention of the abuse of narcotics and hallucinatory substances.

Alfonsin indicated that democracy and integration are part of the same social system because they are based on similar values, as opposed to the actions of authoritarian governments that lead only to serious antagonism and social division.

Alfonsin recalled that the OAS Charter was signed in Bogota. He added that the OAS must be updated and perfected in order to effectively fulfill its basic role of serving as the hemisphere's political forum and reflecting the current continental reality.

Alfonsin emphasized the important function of the Contadora Group and the Contadora Support Group in their effort to find a solution to the Central American problem. He added that it is necessary to continue using the instruments of dialogue and negotiation in Central America, because war is not the road to peace.

In this regard Alfonsin pointed out that it is essential to put a stop to any kind of intervention, from wherever it comes, and he called on the international community to provide urgent support for the economic reconstruction of the region's countries.

He said there are three serious emergency situations in Latin America, which he identified as the threat of war, indebtedness, and underdevelopment. He said they compromise the future of Latin America, and this is why integration is necessary.

Alfonsin went on to say that the Group of Eight, which was created in Acapulco, is a very important political initiative because it is based on the three essential values of peace, democracy, and growth, which are all interdependent.

Alfonsin said the Group of Eight is an initiative that does not exclude other countries; on the contrary, it is open to the contributions of other democratic countries of the region. It does not seek confrontation, but rather seeks to avoid it. It is not aimed at anyone, but instead aims to open avenues of communication and understanding.

In his speech, President Alfonsin invited his Colombian colleague to visit Argentina for the presidential inauguration next year. In turn, President Barco noted his country's support for, and solidarity with, Argentina.

The Colombian president noted that both countries share an unshakable commitment to the values of democracy and integration, and he pointed out that the foreign debt stands as a great challenge to the development of countries of the region.

President Barco then said that the will to strengthen cooperation is there, and, therefore, to think of a Latin American foreign policy is not utopian; on the contrary, such a policy would be the most solid basis on which to strengthen our negotiating capacity.

After recalling that his government is trying to bring about political changes so as to modernize its democratic practices, President Barco said that there are barriers to such an undertaking, barriers erected by the terrorist groups, the unrestrained ultraright, and by drug traffickers. Referring to drug trafficking, he affirmed that this crime cannot be fought by traditional methods, or through traditional organizations, but through international cooperation and solidarity.

It is naive to think that even if it makes the most determined decision to fight drug trafficking, a country can succeed in this struggle just by implementing repressive measures inside its borders, or even by implementing bilateral agreements. These measures may be adequate to fight other crimes, but are insufficient to fight drug trafficking, an activity that is well organized, creates huge profits, and is international in scope, the Colombian president said.

Barco expressed his country's permanent and unflagging support for the effort the Argentine Government and people are making to assert sovereignty over the Malvinas Islands, which are not only our cause, but that of all Latin America.

The Argentine-Colombian Integration Act stresses the democratic aspirations of the two countries and notes the decision of Presidents Alfonsin and Barco to stimulate integration and cooperation and to translate this desire into concrete answers to both nations' needs for attaining progress and wellbeing.

For these reasons, the two presidents decided to sign several agreements, among which can be especially mentioned an economic complementation agreement within ALADI.

Under this agreement, preferential customs treatment will be granted on nearly 1,000 products on a reciprocal basis, and industrial complementation will be established between public or private enterprises so as to enhance the utilization of production resources.

This agreement will be implemented in the areas of agro-industry, energy, carmaking, chemistry, petrochemistry, metals, mechanics, shipbuilding, and steelmaking. It will go into effect on 1 August 1988 and will initially be in force for 5 years, although it can extended.

The protocol on cooperation in uranium mining calls for a feasability study on the extraction of uranium through non-conventional methods from deposits in Zapatoca, Santander Department, in Colombia. It also provides for a program to train Colombian technicians and for a study on the possibility of installing a pilot plant.

The cooperation agreement on the misuse of drugs and psychotropic substances provides for the creation of a joint commission within the respective foreign ministries to coordinate its implementation. It also provides for the exchange of information on assistance to drug addicts, specialists' visits, meetings of authorities, and training for treatment and rehabilitation of drug addicts.

As for scientific and technological cooperation, the two countries, under a specific agreement, commit themselves to cooperate in the formulation of national policies and to promote the exchange of experience, reciprocal consultation, training of professionals, and joint academic activities. The annual budget will allocate resources to this effect.

Also, the Argentine-Colombian Integration Act signed by the two presidents provides for the creation of a working group to study the mutual recognition of intermediate education and university diplomas, echange of students and professionals, conservation of cultural heritage, and other bilateral cooperation activities.

Cocaine Laboratory Discovered in Magdalena

PA0205012288 Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 1 May 88

[Report by Oscar Galvis]

[Text] Colombian high military commandos are now traveling to mid-Magdalena Department to receive an official report concerning the discovery of what the authorities describe as the largest cocaine laboratory ever found in Colombia. It is larger than Cocalandia and Tranquilandia laboratories discovered on the El Yare plains in 1984. Authorities reported that 30 people were arrested and over 400 kg of cocaine were confiscated. The report mentions the discovery of plantations that go from Puerto Salgar to Doradal. A very heavy operation is being carried out at Napoles farm, owned by Pablo Escobar Gaviria.

Paraguay

Industry Minister: ECLA Condemns U.S. Coercion

PY291458 Asuncion EL DIARIO in Spanish 29 Apr 88 p 12

[Excerpt] Upon returning from Brazil, where he headed a national delegation to an ECLA meeting, Industry and Commerce Minister Delfin Ugarte Centurion said last night that the intervention, coercive measures, and coercive economic action that the United States has taken for political reasons was categorically rejected and strongly condemned within ECLA, which shows the unity among the Latin American and Caribbean countries.

The minister explained that 26 countries, Paraguay among them, condemned U.S. interventionism, and that only 4 countries supported the United States. The issue was raised by the Panamanian delegates, he said.

As he was leaving Presidente Stroessner International Airport, the minister said: "First, I would like to express my strong satisfaction because I have confirmed that the performance of our economy is good and that we have a successful monetary and exchange policy. In fact, we heard many colleagues, economy ministers of the ECLA member countries, whose problems originated with disorder in the monetary field, that is, with monetary inflation."

"I want to add that during a press conference, ECLA for the first time demonstrated sound unity among the Latin American and the Caribbean countries by rejecting all forms of intervention, coercion, or economic coercion adopted on political grounds."

"Almost all Latin American and Caribbean countries approved a resolution condemning intervention and economic coercion in several nations," the minister said. [passage omitted]

Narcotics Dept Accused of Drug Trafficking

PY021350 Asuncion HOY in Spanish 2 May 88 p 8

[Text] Liberal Party Senator Augusto Caceres Carismohas again charged that the Interior Ministry Narcotics Department is "the country's main drug trafficker." A few days ago, the senator submitted a request for information and a questionnaire to the Senate.

The request, which is addressed to the executive branch, demands an investigation into the properties and finances of several officials of the Narcotics Department. In his request, the senator asked whether Inocencio Montiel, Pedro Ruiz, Felix Arzamendia, and Cesar Nunez are running the department, and whether they declared the properties that they owned when they joined the department.

Caceres Carismo also asked whether the Interior Ministry controls the quality and weight of the seized drugs and whether these variables remain unchanged when the drugs are taken to the judicial branch. "Any investigation into this social scourge should involve those who are responsible for the anti-drug action," he stated.

Peru

Labor Day Bomb Blasts Shake Downtown Lima

PY012359 Madrid EFE in Spanish 2155 GMT 1 May 88

[Text] Lima, 1 May (EFE)—At least five bombs exploded in downtown Lima today on a Labor Day that was not commemorated with public labor rallies in this capital. The explosions damaged the facade of some buildings. According to media sources, the bomb explosions did not cause any casualties, but they took place on important avenues in this city, such as Emancipacion and Caman Avenues.

The explosions took place shortly before a group of people started a march with flags and banners bearing the hammer and sickle down Nicolas de Pierola Avenue. The march was disbanded by the police.

However, Labor Day was publicly celebrated in the City of Cusco, capital of Cusco Department, 1,165 km southeast of Lima, with a march organized by labor organizations.

Meanwhile, Peruvian Labor Minister Orestes Rodriguez and Senator Valentin Pacho, secretary general of the Communist General Confederation of Peruvian Workers, CGTP, expressed different opinions about the current Peruvian situation. The labor minister said that the APRA government, of which he is part, is making efforts to eliminate "the great economic, social, and structural problems so as to benefit the majority of the people with the rewards of a balanced and general development." The labor minister made this statement during a Labor Day ceremony.

However, the CGTP leader said in his Labor Day message that the workers are living through "a crucial and difficult phase, with galloping inflation." He said that hunger "continues and will continue" in the country.

Minister Rodriguez nonetheless admitted that one of the greatest difficulties is the impossibility of fully complying with the workers economic demands. He also said that the amount of strikes and the average of lost work time has decreased lately.

The CGTP leader, who is member of the United Left, a coalition of Marxist parties, expressed his disagreement regarding the labor minister's latter statement and said that the minister "sees the economic situation from his office."

The labor minister said that this Labor Day finds the country "in difficult times" on account of the economic crisis. He therefore called for a social dialogue with the participation of the labor force.

The CGTP leader nonetheless announced that his organization remains alert to government measures that are "against the people's economy," and that the CGTP is likewise preparing "protests" aimed at holding a national 48-hour strike by the middle of this year .

Police Forces Move Against 'Terrorists'

14 Arrested

PY020137 Madrid EFE in Spanish 1841 GMT 1 May 88

[Text] Lima, 1 May (EFE)—It was reported in Lima today that Peruvian police arrested 14 people who were traveling on a bus. The people are believed to be terrorists since police found weapons, ammunition, and pamphlets inside the vehicle. The bus, which was heading north of Peru, was stopped last night by police on the Pan-American highway, near Huacho, 130 km from Lima.

Civil guard forces reported that police confiscated the following items: two shotguns, a handgun, explosives, ammunition, subversive pamphlets, and two red flags of the Shining Path terrorist group.

The source reported that the bus was carrying 50 people, 14 of whom were arrested after police searched the vehicle and found the weapons. The suspects are believe to be members of the Shining Path group.

'Death Squad' Apprehended

PY020154 Madrid EFE in Spanish 1728 GMT 30 Apr 88

[Text] Ayacucho, 30 Apr (EFE)—Police and military sources today confirmed that three peasant women from the town of Runguyuoc, in the southern Department of Ayacucho, were slaughtered by the Maoist terrorist group Shining Path.

The women, who leave behind 20 orphans, were murdered on 28 April by members of the Shining Path who left a sign on the bodies stating: "This is how the Yana Huma die." This is a Quechua expression meaning, "black heads" or stool pigeons. The terrorist then abducted two relatives of the murdered women.

General Jose Valdivia, commander of the emergency military zone of Ayacucho, has reported that seven men and four women, members of a Shining Path "death squad," have been arrested. The arrested terrorists are charged with murdering three APRA party municipal officials. The group is also charged with killing 3 policemen, 17 peasants, the mayor of the city of Huanta, Ayacucho, and with blowing up high-tension towers.

Over the past month, the Shining Path terrorist group has murdered about 100 people throughout Peru, particularly in Ayacucho and the town of Andajes in Lima Department.